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MEDIA LAW LETTER

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From the Executive Director's Desk

Top Five Journalism, Law & Sports Movies

Since most of us are isolated and looking for activities at home, movies have taken on a large role in filling vacant time. So I thought I would devote my column giving you some leisure-time advice and list my top five movies in the last 50 years in journalism, law and (given my obsession) sports.



George Freeman

At the outset, a disclaimer: I am not a movie afficiando. Indeed, I prefer watching a ballgame on tv to going to the cinema. And I feel, unlike the vast consensus, that a good tv show is as good as the average movie. That is, in the legal sphere, *LA Law*, with its great ensemble law firm cast, and *Boston Legal*, with its quirky dialogue between partners James Spader and William Shatner, are as good as anything you'll see in the movies. And journalistically speaking, Lou Grant, with Ed Asner as the gruff but kindhearted editor, his publisher Mrs. Pyncheon, playing the Kay Graham role, and its cast of intrepid reporters and photographers, and the more recent *The Newsroom*, written by Aaron Sorkin and starring Jeff Bridges as the liberal news anchor, certainly match up with most movies of the genre. (Sorkin, a friend of the MLRC, who both was featured at a past Annual Dinner and spoke about the Sony hack at our Entertainment Law Conference

in 2016, wrote the screenplay for two of the movies on the below lists.) In any event, I'm entitled to my opinion. So here goes:

TOP 5 JOURNALISM MOVIES

1. All the President's Men - This is first by a mile. It combines history, the Watergate scandal and the resignation of President Nixon, an insight into the relentless reporting and the editing process at the Washington Post, and terrific acting by Robert Redford as Bob Woodward, Dustin Hoffman as Carl Bernstein, and an Oscar-winning performance by Jason Robards as editor Ben Bradlee. Robards' Bradlee is a supporter, monitor, spokesman and decider, but also a



#1. Woodward and Bernstein (Redford and Hoffman) in the newsroom en route to taking down the President

skeptic and doubter, well aware of the consequences of his boys' work. Woodward and Bernstein's interviews of Deep Throat (in a dark garage) and names of the past, such as Hugh Sloan and Donald Segretti, as well as lower government workers and CREEP volunteers, are both dramatic and object lessons for rookie reporters.

2. Absence of Malice - How can you not rate highly a movie with such a perfect libel law title? Or one which is based on the relationship between Paul Newman as the duplicitous source and Sally Field as the inquisitive reporter? Or a great scene towards the end when an Assistant Attorney General, played by a delightful Wilford Brimley, locks all the principals in the scandal into a conference room and says we're goin' to stay here until I have someone's ass in my attache case (or, at least, that's how I remember it). For media lawyers, there also is a poignant scene when the paper's



#2. Inquisitive reporter Sally Field and duplicitous source Paul Newman get together.

unctuous lawyer vets Field's article, changes a "the" to an "a", and declares that will protect the paper from actual malice. I never thought it made sense, it certainly didn't make us look good, but it showed us in action anyhow. I used to assign the movie to my First Amendment classes, and then on the exam ask students to discuss at least two ethical issues raised by the film (except the obvious a reporter shouldn't sleep with her source).

3. Spotlight - As *All the President's Men*, this too is a realistic and accurate portrayal of how diligent reporters doggedly work on an investigative story, here exposing the crimes in the Roman Catholic priest sex abuse scandal in Boston. The *Boston Globe's* reporters are shown doing the grunt work, finding and sensitively questioning all sorts of witnesses and tracking down documents, sealed and otherwise. Indeed, our member Jon Albano is portrayed arguing and winning an access motion in state court.



#3. The Boston Globe's Spotlight reporters are shown doing the grunt work, finding and sensitively questioning all sorts of witnesses and tracking down documents, sealed and otherwise.

Liev Schreiber looks and sounds exactly like editor Marty Baron, who quarterbacks the investigation and gets taken to task by the parochial Bostonians for being an outsider. I should mention that we showed excerpts of *Spotlight* at our Annual Dinner the week the film was released, and long before it won the Oscar for Best Picture. The fact that I vetted many of the stories in the film played no role in my listing.

4. Broadcast News - A somewhat satirical and critical look at the dilemmas of television news broadcasting. Talented and energetic news producer Holly Hunter has to choose both romantically, but more importantly professionally, between two candidates to become evening news anchor: a good friend and solid reporter and writer Albert Brooks, who is capable of sweating through his shirt on air; and a handsome, likeable, smooth-talking and telegenic but vapid and raw newsman William Hurt. The model for the Hunter role was Susan Zirinsky, now President of CBS News, who was on our Annual Dinner program last November. In my draft questions for that night's moderator, I asked which one Z would have chosen; unfortunately that question never was put to her.

5. The Post - Any movie featuring our victory in the Pentagon Papers case has to make this list, but, as you can imagine, it goes to the bottom because of its fundamental and titular failing. It is called *The Post* and features *The Washington Post*, even though it was *The New York Times* which first found, vetted and, after internal struggles, decided to publish the Papers and was the first to be sued and then took the lead in litigating the case. The faux pas was probably because Spielberg got the incomparable Meryl Streep to play Kay Graham, thereby adding an angle of the growth

of a woman publisher which the all-male Times didn't have; also the fact that the Post did in 48 hours what the Times took three months to go through probably was better suited for Hollywood. Another weakness is that Tom Hanks comes nowhere close to Jason Robards, see #1 above, in playing Ben Bradlee. And that's not even to mention that the press lawyers appear absolutely terrible and cowardly in arguing against publication. Nonetheless, the movie is a great depiction of the issues, conflicts and tension in the case, and you can't help but feel heartwarmed at news of the SCOTUS victory and the sounds and sights of the presses running with the continuation of the Papers after the ruling.

Honorable Mention: Good Night and Good Luck - A serious and positive black-and-white depiction of Edward R. Murrow's CBS broadcasts bravely exposing Sen. Joseph McCarthy Communist witch-hunts. George Clooney plays Murrow's producer and friend Fred Friendly who go up against the more cautious and risk averse CBS honchos. As with a number of movies on the above list, it is stunningly appropriate at a time when the President calls the media "the enemy of the people."

TOP 5 LEGAL MOVIES

1. My Cousin Vinny - First by 20 lengths, no doubt about it. The only would-be competition are movies well over the 50-year-old boundary – To Kill a Mockingbird, 12 Angry Men and Judgment at Nuremberg.

A brilliantly entertaining film, about an unsuccessful but colorful Brooklyn lawyer defending two "youths" in a murder trial in Alabama court, it has some priceless lines,



#1. Marissa Tomei is congratulated on her testimony by her hostile examiner and fiancée Joe Pesci, while Judge Fred Gwynne looks on

and can as well can be shown in a trial practice class. Defense attorney Joe Pesci's examination of his fiancée Marissa Tomei and her testimony about mint-green Buick Skylark convertibles and positraction (whatever that is) won her an Oscar, and are classic (as is Judge Fred Gwynne's ruling that she is a hostile witness when Pesci explains they are engaged). And Pesci's cross-examinations of the local southern townspeople, impeaching one on account of the timing of his boiling grits and another by a courtroom demonstration of her failing eyesight are delightful. Legal education is also gained when Pesci smugly comes back to their room bragging that he schmoozed the prosecutor into giving him documents; Tomei's response: You're entitled to them; it's friggin discovery.

2. A Few Good Men - Everything in this movie builds to the climatic court-martial courtroom scene where young JAG defense attorney Tom Cruise cross-examines crusty and smug colonel Jack Nicholson. Nicholson is superb – and eerily reminiscent of Humphrey Bogart and his strawberries in *The Caine Mutiny* - far more dramatic, but without the comic humor of Tomei in #1. The film is about a court-martial at Gitmo against two low-ranking marines carrying out the brass' orders, but the deeper



#2. Jack Nicholson testifying, leading to his confession. "You can't handle the truth," he barks at cross-examiner Tom Cruise.

Nicholson goes on – at Cruise's prodding - about the need for military discipline saving lives – "You can't handle the truth," he barks at Cruise - the more he gets himself into trouble.

3. Kramer v. Kramer - Far from media law, this a story of a New York couple's divorce, starring a very young Meryl Streep and Dustin Hoffman, both of whom won Oscars for their performances (as did the movie for Best Picture). Hoffman deals with fatherhood alone when Streep leaves him, but the drama builds when Streep returns

and demands custody of their son. Needless to say, the ensuing litigation turns ugly and harmful to all. The riveting court hearing scenes will make even hardened lawyers cringe and cry.

4. A Civil Action/Erin Brockovich - I list these two together because they are essentially the same. Young, poor lawyer or paralegal discovers pollution harming community, energizes and coalesces the poor victims, and ultimately files a class action against the big, bad polluters defended by older, more powerful lawyers who stave the plaintiffs off with every legal (and illegal) countermove and resource available. They do have different outcomes, however. I like A Civil Action better mainly because of some great settlement negotiations scenes – which would have many of us thinking: been there, done that. On the other hand, Erin is played by Julia Roberts in one of her more interesting (and Oscar winning) roles.

5. The Paper Chase - With this column's audience, how not list a movie which speaks so keenly to all of us. We were all 1L's once, and most of us suffered through or secretly were enamored by someone akin to the pretentious and intimidating Prof. Kingsfield (played by John Houseman, who won an Oscar for the role). All the



#5. Professor Kingsfield intimidating 1Ls.

moments we survived come rushing back: the nervousness of opening day, the fear of being called on in a large impersonal class by a super-demanding teacher (especially when we hadn't read the case being discussed), the mysteries of the Socratic method, the personal interplays of study group, the cramming for exams and the trauma of exam period; I could go on.

Honorable Mentions: The Insider / The People vs. Larry Flynt - These two could as well be in the Journalism category, but I put them here because, although not the central theme of the movies, they both feature claims with First Amendment defenses as their critical issue. *The Insider* is about producer Lowell Bergman's (played by Al Pacino) and Mike Wallace's pursuit of former tobacco co. employee Jeffrey Wigand (Russell Crowe) to spill the beans as to his ex-employer's knowledge of the dangers of smoking. At the last moment, however, CBS spikes the 60 Minutes broadcast because of the fear of a tortious interference with contract suit (against CBS for inducing breach of Wigand's severance contract with the company) which might derail a planned merger and blow up golden parachute deals for some top execs, including the GC. I remember the actual news story about this breaking during the annual PLI Conference, and how many of us were dubious as to the vitality of a tortious interference claim (which, unlike most newsgathering claims, allows public policy and First Amendment defenses).

Much of the Flynt movie is about the attacks on him for pornographic publishing and some of the early criminal cases against him and his constitutional defenses. But the movie then retells *Falwell v. Hustler*, where Flynt (played by Woody Harrelson) gets sued for libel and infliction of emotional distress for publishing a parody ad suggesting Falwell first had sex with his mother in an outhouse. The climax comes in the Supreme Court oral argument in the case, which focused on the IIED issue and which is portrayed at some length.

TOP 5 SPORTS MOVIES

As promised, because I assume some of you who know me would expect a sports list, here's my top 5 sports movies:

1. Bull Durham - Just as in the above two categories, a runaway winner for first place. A great depiction of baseball, minor league ball to be sure, from young ballplayers to crusty coaches and from a comic mascot to "baseball Annie's." But in addition to the national pastime, there's a great romantic triangle among the sexy, flirtatious and philosophical baseball groupie Susan Sarandon and two players she decides between, the tall, lean, charismatic rookie pitcher with a blazing but wild fastball and a pea brain, Tim Robbins (who in real life lived with Sarandon for 20 years after the movie), and the weary veteran, wise catcher who's been around and who's on the team to help mature the young pitcher, Kevin Costner. Great scenes include Robbins shaking off Costner's choice of pitches, and the annoyed catcher therefore tipping the batter as to the coming pitch which he promptly smacks for a long home run; for us press junkies, Costner training the birdbrained Robbins as to how to act at a reporter's interview; and



#1. At batting cage, baseball groupie Susan Sarandon flirts and gives hitting advice to catcher Crash Davis, played by Kevin Costner.

Robbins warding off Sarandon's desire for sex after a long road trip because of the superstition that you don't change things when he and the team are on a winning streak.

2. Miracle - It's been 40 years (and a few months) since probably the greatest upset in sports history: the U.S. Olympic Hockey team's 4-3 victory over Russia on its way to a gold medal in 1980. Even though we know the outcome, the movie still is exciting as we see the amateur team mesh through tryouts and exhausting practices, a week before the Games get routed by the professional Russians, who had won the last four Olympics, and then play the exciting games at Lake Placid. Kurt Russell is terrific as Herb Brooks, the draconian and gruff coach who maneuvers his boys into a once-in-a-lifetime performance. "This is your night", he barks in his pre-game pep talk (a game which, incidentally, was not broadcast on live tv). "Do you believe in miracles?...Yes."

3. Moneyball - Brad Pitt stars as Billy Beane, the Oakland A's General Manager who uses detailed analytics to evaluate ballplayers, a huge change from old-time "baseball men" who are shown believing that the looks of a player's girlfriend could clue the team as to the player's leadership abilities and value. As a lawyer who believes in empirical facts and a young kid who studied baseball statistics endlessly, I had long been enamored by Beane's approach, which over the next decade was picked up by all the clubs, foremost the dreaded Red Sox. The movie follows the success of the no-name A's players as they embark on a record winning streak.



#2. Olympic Hockey team coach Herb Brooks (Kurt Russell) celebrating at the buzzer of his teams miraculous 4-3 upset over Russia en route to a gold medal at Lake Placid.

4. A League of Their Own - A wonderful film about the women's baseball league which was formed in the Midwest while the men were away fighting in World War II. The movie focuses on the relationship between two competitive but loving sisters, a pitcher and more talented catcher (Geena Davis), who are recruited by a nasty scout (Jon Lovitz, who steals his scenes) to play for the Rockford Peaches. And the film also features Tom Hanks as the team's grumpy manager who utters a quote ranked #29 by AFI in film history and is still in our vernacular today: "There's no crying in baseball."

5. Cool Runnings - Sure, it's a cheesy, heartwarming Disney production, but I can't leave this classic comedy off my list. The tale of the newly formed Jamaican Bobsled team qualifying for and then competing in the Calgary Olympics.

Honorable Mention: Remember the Titans is a bit cliched, but is still the moving (and true) story of a Black high school football coach taking over the reins of a team in a White southern town. A touching tale of racial relationships among players, coaches, parents and the community 50 years ago.

Little Big League is the most underrated sports movie, rarely on anyone's top 50 list. It is a great kid's film, the story about a 12-year old who is bequeathed ownership of the Minnesota Twins in his grandfather's will, and then decides he can stop the team's slump if he becomes its manager. It's a sophisticated baseball movie as the kid comes



#4. Catcher Geena Davis and manager Tom Hanks. “There’s no crying in baseball.”

up with managerial strategies, and also contains fun scenes as he handles his wizened and cynical players.

Eight Men Out, beautifully directed by John Sayles, is the well-performed story of how eight Chicago White Sox conspired with gamblers to intentionally lose the 1919 World Series. (In full disclosure, my college classmate and friend wrote the musical score for the flick.)

No Way: Field of Dreams: Not on my list is *Field of Dreams*, which I find sappy and almost ununderstandable. To come full circle though, a major league game was scheduled for this August in an Iowa cornfield - an idea clearly borne from the movie. Of course, it is unlikely to take place because of the cancellation of most or all of the baseball season.

And even worse is **Slap Shot**, a movie which aggrandizes brawling in hockey. Hockey fighting takes away from a beautiful game, has demonstrably led to concussions and death, and should be banned, not glorified.

The opinions expressed in this column are those of the author and not the MLRC. We welcome responses at gfreeman@medialaw.org; they may be printed in next month’s MediaLawLetter.

Texas Appeals Court (Probably) Ends Pain Doctor's Long-Running Libel Litigation

By Jim Hemphill

The likely final chapter in a nearly six-year-long saga has been written by a Texas appellate court in a libel suit brought against Austin's daily newspaper by a disgraced pain management doctor.

The March 31, 2020 opinion in [Joselevitz v. Roane](#), No. 14-18-00172-CV, 2020 WL 1528020 (Tex. App. – Houston [14th Dist.] March 31, 2020, n.p.h.), affirmed an award of attorneys' fees for the former parent company of the *Austin American-Statesman* newspaper, and upheld summary judgment for one of the newspaper's sources. The case's tortured history involves an attempted prior restraint, invocation of the Texas reporter's shield law, and application of the state's anti-SLAPP statute.

The Beginning: Investigative Reporting and an Attempted Prior Restraint

Mary Ann Roser, then an investigative reporter specializing in health-care issues with the *Statesman*, was working on an article analyzing patient deaths while under the care of pain management doctors. As part of her reporting, she became aware of several lawsuits and Texas Medical Board sanctions against Dr. Joel Joselevitz, a Houston-area doctor.

The medical board had ultimately barred Joselevitz from prescribing pain medication, citing the death of patients from pain medication overdoses while in his care. The board, in two sanctions orders, found Joselevitz had violated 18 provisions of the Texas Medical Practice Act and board rules – including prescribing pain medications in violation of the law and for nontherapeutic purposes. The families of at least two of his deceased patients filed wrongful death lawsuits against him, as well.

Reporter Roser located Carol Roane, the mother of one of Joselevitz's deceased patients, through court records and contacted her for an interview. Roane provided some details of her daughter's care and death, while pointing out that the wrongful death case she filed against Joselevitz had been settled with a confidentiality provision that barred her from discussing the settlement.

Roser then reached out to Joselevitz for comment. Rather than returning the call, Joselevitz hired a lawyer to sue Roane and Cox Media Group, which was then the *Statesman*'s ultimate parent company. The suit was filed in Houston on November 14, 2014 – before the *Statesman* published anything about Joselevitz – seeking a temporary restraining order and temporary injunction ordering that the newspaper be “restrained from publishing any accounts of the Roane lawsuit to any third party” and to

preserve materials related to its journalistic work. Joselevitz's legal theory was that the *Statesman* was complicit in Roane's alleged breach of the settlement agreement's confidentiality provision. Notably, none of the pleadings in Roane's lawsuit were sealed; they remained available to the public.

Joselevitz's lawyer sent an email to the reporter, stating "If we can agree to refrain from publication so there will be no irreparable injury to my client, I am sure we can resolve this matter."

Joselevitz was successful in obtaining a temporary restraining order against Roane, barring her from discussing her case against Joselevitz. However, when presented *ex parte* with an argument that the *Statesman* should be restrained from publishing or even discussing a publicly filed lawsuit, the judge wisely denied that relief, apparently recognizing an attempted unconstitutional prior restraint when he saw one.

The request for a temporary injunction, however, remained pending.

The *Statesman* then moved for dismissal under the Texas Citizens Participation Act (TCPA), the state's anti-SLAPP statute, and filed opposition papers to the request for a temporary injunction. Three days later, on December 12, 2014, Joselevitz filed a voluntary nonsuit – a Texas procedure allowing a plaintiff to abandon claims, without prejudice, whenever the plaintiff so chooses – of his claims against the *Statesman*, while still pursuing claims against Carol Roane. In light of this development, the *Statesman* chose to not pursue a potential recovery of fees and sanctions against Joselevitz.

But the litigation was just beginning.

The *Statesman* Publishes Article, Joselevitz Attempts to Depose Reporter

Mary Ann Roser's article was published by the *Statesman* on December 27, 2014. The article was a comprehensive investigation of regulatory action against, and the lack of criminal prosecution of, doctors who allegedly violate laws regarding prescription drugs. The article included many quotes from regulators, as well as multiple patients and doctors. Joselevitz was just one of three pain management doctors discussed in the article against whom lawsuits and Texas Medical Board actions were filed; he was mentioned or discussed in 31 of the article's 116 paragraphs, just more than one-quarter of the article. In addition to Joselevitz's treatment of Carole Roane's daughter Nicole Willens, the article addressed another

The article was a comprehensive investigation of regulatory action against, and the lack of criminal prosecution of, doctors who allegedly violate laws regarding prescription drugs.

Joselevitz patient who also suffered a fatal overdose and whose survivors sued for wrongful death.

Joselevitz sought to depose reporter Roser before taking any other deposition; he had not yet even deposed the remaining defendant, Carol Roane (sued for alleged breach of the settlement agreement's confidentiality provision, as well as defamation). The *Statesman* successfully invoked the Texas shield law and prevented the deposition.

Joselevitz thus deposed Roane, whose initial answers seemed to indicate some disagreement with quotes attributed to her in the article. However, her post-deposition errata sheet clarified any potential confusion: she did not dispute telling the reporter what she was quoted as saying in the article.

Joselevitz Again Seeks a Deposition, Again Sues the *Statesman*

Even so, Joselevitz again moved to compel reporter Roser's deposition, claiming that there was a fact issue as to what Roane told Roser. However, nothing in the article discussed the details of the confidential settlement, and Roane had clarified that she did not dispute the article's accuracy. Joselevitz sought not only to depose Roser, but also sought production of *all* of her newsgathering material for the article – whether it related to him or Roane at all.

While the motion to compel the deposition was pending, the one-year anniversary of the article's publication – and thus the running of limitations – was approaching. Joselevitz amended his lawsuit on December 21, 2015, again suing Cox Media Group, this time for defamation over the published article.

The *Statesman* again filed a motion to quash the deposition, and also filed a motion to dismiss under the anti-SLAPP statute. Under the TCPA, the filing of a motion to dismiss has the effect of staying discovery absent a court order, so the *Statesman* had two grounds – the stay and the shield law – for quashing the reporter's deposition.

While the motion to dismiss was pending, the trial court (with a different judge sitting than the one who denied the prior restraint) granted Joselevitz's motion to compel the reporter's deposition.

In response, the *Statesman* sought mandamus relief from the Court of Appeals on the order compelling Roser's deposition, while the motion to dismiss remained pending. The Court of Appeals essentially suspended the mandamus proceedings, pending a ruling on the *Statesman*'s motion to dismiss.

Under the TCPA, a motion to dismiss is overruled by operation of law if the trial court does not rule within 30 days after the hearing. The trial court declined to issue a ruling, so the dismissal motion was denied on April 4, 2016. Two weeks later, the *Statesman*

filed an interlocutory appeal of the denial of the anti-SLAPP motion, which essentially continued to suspend the mandamus proceedings regarding the reporter's deposition.

The *Statesman* Prevails in the Court of Appeals

Eleven months later – after full briefing, but no oral argument – the Fourteenth Court of Appeals out of Houston reversed the denial of the *Statesman*'s anti-SLAPP motion and rendered judgment for the newspaper. *Cox Media Group, LLC v. Joselevitz*, 524 S.W.2d 850 (Tex. App. – Houston [14th Dist.] 2017, no pet.).

The appellate court agreed that the article accurately described the allegations against Joselevitz and the medical board's sanctions. It rejected his contention that the article falsely portrayed him as a "vitriolic doctor who harmed his patients." The court further noted:

When compared to Board proceedings and the lawsuits, however, we conclude that the article's report of the proceedings does not paint Joselevitz in a worse light than the proceedings themselves—i.e., that Willens died by overdosing on a cocktail of some of the medications that Joselevitz prescribed to her and other medications that Joselevitz was or should have been aware Willens was taking.

The appellate court agreed that the article accurately described the allegations against Joselevitz and the medical board's sanctions.

Cox Media Grp., LLC v. Joselevitz, 524 S.W.3d at 862. The court continued:

In sum, we conclude that the record reflects that the *American–Statesman* article is substantially true. Therefore, Joselevitz failed in establishing his prima facie case. The TCPA requires that his action be dismissed.

Id. at 862. But the case *still* was not over: in addition to leaving Joselevitz's claims against Carol Roane pending – she had not filed a motion to dismiss – the issue of attorneys' fees was remanded to the trial court. The TCPA at the time had mandatory provisions for attorneys' fees and sanctions. The *Statesman* had presented evidence of fees to the trial court, and Joselevitz had not introduced contradicting evidence. However, because Joselevitz had not agreed to the fee request, the Court of Appeals remanded rather than accepting the *Statesman*'s invitation to award the requested fees.

The Fee Proceedings, and Yet Another Appeal

A hearing on the *Statesman*'s fee request was held simultaneously with Roane's summary judgment motion on the merits of the claims against her. The trial court

granted the summary judgment and granted the *Statesman*'s request for fees, but awarded only two dollars in sanctions against Joselevitz.

Because the award of sanctions was mandatory (the statute has since been amended to make sanctions discretionary) but the amount was discretionary, the *Statesman* did not appeal. And it did not anticipate that Joselevitz would appeal the fee award against him, since the award was less than one-fourth the amount Joselevitz had claimed he had paid his own lawyer.

But appeal he did. Joselevitz even appealed the award of sanctions, without ever mentioning that the sanctions were only *two dollars*. The *Statesman* responded and sought additional sanctions for the filing of a frivolous appeal.

Joselevitz's appeal was docketed on March 20, 2018. Again, full briefing but no argument. The decision came down more than two years later, on March 31, 2020. *Joselevitz v. Roane*, No. 14-18-00172-CV, 2020 WL 1528020 (Tex. App. – Houston [14th Dist.] March 31, 2020, n.p.h.). The Court of Appeals upheld the summary judgment in favor of Carol Roane, and upheld the fee award to the *Statesman* – but declined to award sanctions for such a transparently frivolous appeal.

The Court of Appeals upheld the summary judgment in favor of Carol Roane, and upheld the fee award to the *Statesman*

Is this case finally over? The deadline for Joselevitz to appeal to the Texas Supreme Court is May 15, 2020. Another appeal seems unlikely, but in this case, you can never tell....

Jim Hemphill is a shareholder at Graves Dougherty Hearon & Moody in Austin, Texas. He has represented Cox Media Group throughout the Joselevitz saga.

Court Tosses Confederate-Statue Supporter's Claim for Lack of Personal Jurisdiction

By Joe Slaughter

A Louisiana publication will not have to face a defamation lawsuit in Jacksonville, FL brought by a man who donned homemade riot gear to join a New Orleans protest against the takedown of a statue of Robert E. Lee.

On April 3, 2020, Judge Timothy Corrigan of the U.S. District Court for the Middle District of Florida in Jacksonville [dismissed](#) a defamation lawsuit against website NOLA.com, its former parent company Advance Local Media, and a New Orleans photographer and activist, Charles Easterling (professionally known as Abdul Aziz), for lack of personal jurisdiction.

The suit was brought by Nicholas Dean, the former principal of a New Orleans public school. In May of 2017, Dean attended a protest against the removal of a statue of the Confederate general from a prominent public square in New Orleans. At the protest, Dean clad himself in homemade riot gear, including a baseball helmet, ski goggles, and an iron cross ring, and wielded a homemade "Sparta"-style shield.

Dean gave a [video interview](#) to Easterling in which Dean explained that he felt compelled to attend the protest because, "[i]f foreigners with like kind of Marxist ideas and Marxist tactics come here, it's my duty to be here."

Easterling posted the video on Facebook and YouTube, with a caption noting that the protests were aligned with several white nationalist organizations, and that Dean himself appeared to be wearing rings with Nazi iconography. Later, on May 25, 2017, Nola.com published an [article](#) under the headline "Local New Orleans principal loses job after wearing Nazi-associated rings in video." The article reported on Dean's presence at the protests, described his rings, and noted that he had been photographed next to a Confederate flag. The article also reported that Dean had appeared on an "alt-right" podcast several weeks before the protest and had opined that, while he did not consider himself a racist, others likely would.



In 2017, Dean attended a protest against the removal of a statue of the Confederate general from a prominent public square in New Orleans.

The following day, NOLA.com published an [op-ed](#) under the headline “Principal in nazi gear is gone—just like the monuments he supported” by well-known local columnist Jarvis DeBerry. The column recounted much of the prior day’s article and concluded that the removal of several of New Orleans’s Confederate monuments was useful, if for no other reason than because “people who wouldn’t have otherwise publicly shared their racist beliefs felt compelled to do so in an attempt to prevent monuments . . . from being taken down.”

Around the same time, Dean was fired from his job as principal (notably, more than 90 percent of the students at his school were black), and later moved to Florida. Nearly two years after the protest and Nola.com coverage, Dean filed a six-count complaint in federal court, alleging defamation, tortious interference, intentional infliction of emotional distress, and assault. The complaint was signed by [Augustus Sol Invictus](#) (born Austin Gillespie), a well-known alt-right lawyer and personality who had been involved in the planning and execution of the Charlottesville “Unite the Right” rally in August 2017. The complaint challenged numerous statements in the two articles and in Easterling’s Facebook post, but focused primarily on the allegedly false insinuation that Dean’s rings (or Dean himself) had any affiliations with white nationalism or Nazism. It also claimed that the articles had led to Dean’s firing and that because of the articles Dean lived in constant fear of retribution from the Antifa movement.

NOLA.com published an op-ed under the headline “Principal in nazi gear is gone—just like the monuments he supported.”

In deciding the motions to dismiss, Judge Corrigan focused on a glaring hole in Dean’s complaint: because there was absolutely no connection between the facts recounted in the complaint and the state of Florida, there was no obvious basis for the court to exercise personal jurisdiction over the defendants. The court went on to discuss personal jurisdiction in online defamation cases under the relatively permissive standard set out by the Florida Supreme Court in *Internet Solutions Co. v. Marshall*, 39 So. 3d 1201, 1208 (Fla. 2010), which held that:

A nonresident defendant commits the tortious act of defamation in Florida for purposes of Florida’s long-arm statute when the nonresident makes allegedly defamatory statements about a Florida resident by posting those statements on a website, provided that the website posts containing the statements are accessible in Florida and accessed in Florida.

In its opinion, the court made two helpful observations: first, even under the lenient *Internet Solutions* standard, a plaintiff “likely has to be a Florida resident or Florida company” to invoke personal jurisdiction based solely on an internet publication. In this case, Dean did not qualify as he moved to Florida only *after* the events in question.

Second, the court rejected Dean's attempts to meet the *Internet Solutions* standard through conclusory and "information and belief" pleading that Florida residents had accessed the challenged articles. Finally, the court noted that, even if Dean's pleading had satisfied the standard, it would have lacked jurisdiction under the due process clause, largely because the complaint did not (and could not) allege any meaningful ties to the state of Florida.

We'd be remiss if we didn't mention one unique feature of the case: in the midst of motion to dismiss briefing, Mr. Invictus—whose documented leisure activities include drinking goat's blood as part of pagan rituals and advocating for civil war—[was arrested](#) and held without bail in South Carolina on charges of kidnapping, domestic violence, and possession of a firearm during a crime of violence. Invictus was later released due to Covid-19 concerns, and within three weeks, he had been [arrested again](#) in Florida and charged with aggravated stalking of his wife, and with violating the conditions of his bond in South Carolina. He faces up to twenty years in jail.

Chuck Tobin, Joe Slaughter, and Matt Cate of Ballard Spahr LLP represented Nola.com and Advance Local Media. Charles Easterling was represented by Katie Schwartzmann of the ACLU of Louisiana and Andrew Bonderud of The Bonderud Law Firm. Jacksonville, FL.

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New York Times Wins Dismissal of Attorney's "Groping" Libel Suit

By David McCraw

The New York Times has won dismissal of a libel suit brought by a Justice Department official who took issue with a story that reported he had groped a young administrative assistant. The official, Gwynn Kinsey, admitted he had "interactions of a sexual nature" with the young woman but said she welcomed being fondled at a DOJ-sponsored happy hour at a bar.

Judge Vernon Broderick of the Southern District of New York dismissed the case in March after finding that the fair report privilege applied because The Times had relied on an eyewitness's declaration, filed in a federal employment suit, to portray Kinsey's groping as unwelcome. The primary issue was whose law should govern for purposes of the fair report privilege – New York's (as the domicile of The Times), Maryland's (where Kinsey lived), or Washington's (the location of the groping). Judge Broderick opted for New York law after doing a choice-of-law "interest analysis."

The case was significant for The Times as the only libel suit the paper has faced from its award-winning coverage of the #metoo movement. Over a two-year period, The Times had extensive reporting on sexual misconduct in the workplace, beginning with the explosive stories about Hollywood mogul Harvey Weinstein and then shedding light on abusive behavior in the arts, at the television networks, on Capitol Hill, in academia, and on the floor of a Ford automobile plant.

The case was significant for The Times as the only libel suit the paper has faced from its award-winning coverage of the #metoo movement.

The Kinsey case arose from a March 2018 article that focused on the mismanagement of DOJ's Capital Case Section, where Kinsey was a deputy supervisor. One part of the story recounted the groping incident in which Kinsey, a married man in his 50s, pawed the administrative assistant at a DOJ happy hour in front of their co-workers. The woman filed a complaint about the misconduct with DOJ management. In reporting that the groping was unwelcomed, The Times relied on a declaration of a DOJ legal intern who was an eyewitness. He had submitted the declaration in support of a DOJ attorney who was suing the department for what she claimed was mistreatment while working in the Capital Case Section.

Kinsey argued that under both Maryland and D.C. law the fair report privilege does not apply in cases where the publisher acted with actual malice. He alleged that actual malice was present because the reporter seemed hostile during an interview and

should have seen that the intern's declaration contained minor factual errors casting doubts on his credibility. Actual malice is not an exception to the privilege in New York.

Judge Broderick, in his interest analysis, held that D.C. had virtually no interest in the case because it was neither Kinsey's home nor The Times's domicile. As between Maryland and New York, he found New York's interest predominated. His decision is likely to be useful in future cases involving New York news organizations. "[A]lthough both Maryland and New York have policy interests in this suit, I find that New York's policy interest is greater," he wrote. "While Maryland has an interest in protecting its citizens from defamation, New York has a strong interest in establishing defamation standards for media outlets domiciled in the state."

The judge also found it significant that the question before the court involved a privilege. "[W]hen a conflict of laws issue involves the application of a privilege that protects a publishing defendant from defamation liability, courts give particular weight to the policy interests of the state in which the defendant makes the alleged defamatory statement. Here, that state is New York," he wrote.

The suit was commenced in December 2018, nearly nine months after the story ran. The Times moved to dismiss in February 2019, and the court gave Kinsey a chance to amend. The Times again filed a dismissal motion in April 2019. The court's ruling came 11 months after briefing was completed.

David McCraw and Al-Amyn Sumar of The Times's Legal Department represented The New York Times. Gwynn Kinsey was represented by Barry Coburn of Washington, D.C. Kinsey has not indicated whether he plans to appeal.

Dr. Oz Wins Class Action Suit Through Novel Twist In The California Anti-SLAPP Law

By Chip Babcock

Dr. Mehmet Oz along with Harpo Productions, Inc and SONY Pictures Television, Inc. were sued in a consumer class action in a California federal court over remarks made on the Dr. Oz Show regarding garcinia cambogia and green coffee bean extract as weight loss supplements. Three Plaintiffs claimed that the statements were fraudulent and violated California and New York state statutes prohibiting false advertising and consumer fraud.

The media defendants responded to the suit by filing a Motion to Strike under the California anti-SLAPP statute as well as a motion to dismiss pursuant to federal rule 12(b)(6). Although many federal circuits have held that state anti-SLAPP laws are procedural and therefore not applicable in federal court the Ninth Circuit, covering California, has long held that the California anti-SLAPP law protects defendants in both state and federal courts. Recently, however, the Ninth Circuit has begun to retreat on its long-standing precedent.

A Ninth Circuit case authorizes district judges to delay an anti-SLAPP decision until after discovery which, of course, largely defeats the objective of the law. The Plaintiffs responded to the Anti-SLAPP motion by citing this precedent and asked the Court to delay a hearing until after the discovery deadline and the District Judge agreed.

The Court denied the federal 12(b)(6) motion to dismiss except as to SONY which was dismissed from the case. Four years later discovery finally closed and the defendants filed motions for summary judgment and re-urged the anti-SLAPP motion.

In the Dr. Oz case the attorneys' fees alone were massive because of the discovery which Plaintiffs had insisted was necessary for the Court to rule on the motion.

Under the California law attorneys' fees and costs are mandatory if the defendants are successful. Usually, since the motion is determined without discovery and early in the case the fees and expenses are modest. In the Dr. Oz case the attorneys' fees alone were massive because of the discovery which Plaintiffs had insisted was necessary for the Court to rule on the motion.

As it turned out the Defendants' motion for summary judgment was very strong and they argued that if it was granted the anti-SLAPP motion would necessarily succeed with attorneys' fees and costs to follow. So shortly before the summary judgment

hearing Defendants proposed that if Plaintiffs would dismiss their claims and the class claims with prejudice the Defendants would waive their right to attorneys' fees and costs in the event of a favorable ruling on the anti-SLAPP motion.

The Plaintiffs accepted the proposal and filed a statement of settlement which, at Defendants' insistence, recited that no money was being paid by Defendants to anyone at any time. The District Judge granted the dismissal.

The case illustrates the power of the anti-SLAPP statute even when it is not decided at the beginning of the case. The Plaintiffs who had very small individual damages (even assuming liability) were potentially at risk for millions and their lawyers might have faced criticism for not accepting the offer.

Chip Babcock was lead trial lawyer along with John Edwards, Carl Butzer and Trey MacDonald of Jackson Walker and Bill Haggerty of Ford Walker Haggerty & Behar.

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Sovereign Pirates: Copyright Owners Lose Their Remedies Against State Governments

By Brian D. Wassom

State governments are now free to reproduce and exploit the copyrighted content created by private citizens with abandon, and there is nothing the owners can do about it under federal copyright law. That is the stark reality under the Supreme Court's unanimous decision in [Allen v. Cooper](#), which was issued on Monday, March 23, 2020.

The issue presented in Allen v. Cooper was whether Congress validly abrogated state sovereign immunity for copyright infringement via the Copyright Remedy Clarification Act (CRCA). As an amendment to the Copyright Act, the CRCA provided that: "... remedies (including remedies both at law and in equity) are available for the violation to the same extent as such remedies are available for such a violation in a suit against any public or private entity other than a State..." 17 USC 511(b).

The case arose from the discovery of Blackbeard's flagship, Queen Anne's Revenge, off the North Carolina coast. Frederick Allen and his company, Nautilus Productions, filmed the shipwreck and registered copyrights for the videos and photos that they created; in 2015, they filed a lawsuit claiming that North Carolina had infringed their copyrights by posting unauthorized copies of an independent documentarian's copyrighted videos to its State-owned website. The State did not bother denying what it had done; rather, it argued that the CRCA had not validly repealed 11th Amendment immunity for copyright infringement and therefore it could not be sued in federal court. The U.S. Court of Appeals for the 4th Circuit agreed. It was in good company. In prior decisions, the CRCA had also been deemed unconstitutional by district and appellate courts in the 1st, 2nd, 4th, 5th, 6th, 9th, and 11th Circuits.

The case arose from the discovery of Blackbeard's flagship, Queen Anne's Revenge, off the North Carolina coast.

Allen asked the justices to weigh in, telling them that, unless the Supreme Court intervened, the "creators of original expression will be left without remedy when States trample their federal copyrights." The justices granted that request—and confirmed that Allen was just as helpless to vindicate his copyright interests as he had feared.

The US Supreme Court unanimously affirmed the Fourth Circuit's decision to strike the CRCA as unconstitutional. The CRCA had completely abrogated the States' sovereign immunity with respect to copyright infringement. This allowed plaintiffs to sue States for infringement and to hold them liable to the same extent as any other defendant. In *Florida Prepaid Postsecondary Ed. Expense Bd. v. College Savings Bank*, 527 US 627 (1999), however, the Supreme Court had held unconstitutional the Patent Remedy Act,

a nearly identical statute that had abrogated State sovereign immunity with respect to patent infringement. Twenty-one years later, the Allen Court almost mechanically applied that precedent, finding that the rationale of *Florida Prepaid* (and the cases on which it had relied, principally *Seminole Tribe of Fla. v. Florida*, 517 U. S. 44 (1996) and *City of Boerne v. Flores*, 521 U. S. 507 (1997)) required the Court to invalidate the CRCA.

Under the doctrine of sovereign immunity as the Court has constructed it in the years since the CRCA was passed, the Copyright and Patent Clause of Article I in the Constitution does not provide Congress the power to abrogate States' immunity. The 14th Amendment does—but only if the remedy adopted is “congruent and proportional” to well-documented violations of due process by the States. In the context of copyright infringement, according to the Allen Court, this required Congress to make specific findings that States had been engaged in widespread, intentional infringement for which they were not otherwise providing compensation to copyright owners. The CRCA's legislative record included a 158-page report supporting the Act by the then-Register of Copyrights, which had been informed by a year-long examination and public comments from 40 copyright holders and industry groups. Nevertheless, the Court dissected the substance of this report and the remaining legislative history and found it insufficient to justify the CRCA's wholesale abrogation of sovereign immunity.

Like Lucy holding the football for Charlie Brown, the majority opinion invited Congress to try again, adopting a more evidence-based, narrowly tailored abrogation this time. Perhaps as encouragement to do so, the justices painted a stark picture of the leeway the Court was granting States to infringe media copyrights going forward. Justice Kagan wrote for the majority that, by adapting the intent of the CRCA to the Court's evolving jurisprudence on sovereign immunity, Congress could “effectively stop States from behaving as copyright pirates.” Concurring, Justice Breyer was even more pointed: “one might think that Walt Disney Pictures could sue a State ... for hosting an unlicensed screening of the studio's 2003 blockbuster film, *Pirates of the Caribbean* (or any one of its many sequels). Yet the Court holds otherwise.”

Unless and until Congress takes up the majority's invitation to try again, therefore, media companies and other copyright owners will have few options to curtail infringement of their copyrights by State governments and other state actors such as state universities, hospitals and other research institutions. And even if a new statute could pass constitutional muster under *Allen v. Cooper*, the remedy that the Court deems “proportional” may bear little resemblance to the consequences for copyright infringement by non-State actors.

Brian D. Wassom is a partner at Warner Norcross + Judd LLP in Detroit, Michigan.

Supreme Court Rejects Willfulness Requirement for Profit Awards in Trademark Infringement Actions

By Sara Gates

In a recent decision of considerable importance for trademark practitioners, the U.S. Supreme Court finally resolved a longstanding split among the circuits when the Court held that willfulness is not required to award the plaintiff profits in a trademark infringement action. [Romag Fasteners, Inc v. Fossil, Inc.](#), No. 18-1233, 2020 WL 1942012 (U.S. Apr. 23, 2020). Justice Gorsuch delivered the majority opinion in the unanimous decision, expressly rejecting the willfulness prerequisite to profit awards adopted by the Second and Ninth Circuits, which both handle a high volume of the nation's trademark cases.

Background

The case before the Court involved a dispute over handbag fasteners between Romag Fasteners, Inc., a company that manufactures the fasteners, and Fossil, Inc., a company that uses the fasteners on its handbags. For years, Romag and Fossil worked together under an agreement that permitted Fossil to use Romag's fasteners on its handbags. As Romag later discovered, however, factories in China making Fossil products were using counterfeit fasteners, instead of Romag's products. Believing that Fossil was not policing these factories, Romag sued Fossil for trademark infringement and false representation (along with other claims, including patent infringement).

The U.S. Supreme Court finally resolved a longstanding split among the circuits when the Court held that willfulness is not required to award the plaintiff profits in a trademark infringement action.

The issues of fact went to the jury, which agreed with Romag's view and found that, while Fossil had acted with callous disregard, its actions were not willful. Though the jury made its advisory awards, the Judge Janet Bon Arterton of the U.S. District Court for the District of Connecticut determined that Romag could not recover Fossil's profits on the trademark infringement claim without a finding of willfulness. On appeal to the Federal Circuit, the Court upheld the district court's decision, finding that it was consistent with Second Circuit precedent (the District of Connecticut sits within the Second Circuit). Romag's writ of certiorari to the Supreme Court followed, and the Court granted the writ, presumably to resolve the outstanding circuit split that has persisted for more than 20 years.

The Court did just that in its recent decision, which fully and finally rejected the view that a showing of willfulness is a prerequisite to a profit award in trademark infringement actions. As the Court explained, while the infringer's state of mind is certainly an important and valuable consideration, it is by no means a requirement for a court to award a trademark owner the infringer's profits.

In reaching the decision, the Court relied heavily on the text of the Lanham Act, the statute governing recovery of federal trademark violations, and, specifically, 15 U.S.C. § 1117, the Lanham Act's damages provision. The Court pointed out that states of mind, or *mens rea*, are carefully addressed in that section of the statute, as they are throughout the entirety of the Lanham Act. For example, the plain text of § 1117(a) provides for recovery of an award of the infringer's profits for any violations of 15 U.S.C. § 1125(a) (*i.e.*, trademark infringement), but for violations of § 1125(c) (trademark dilution) the statute clearly requires a *willful* violation for such an award:

When a violation of any right of the registrant of a mark registered in the Patent and Trademark Office, a **violation under section 1125(a)** or (d) of this title, **or a willful violation under section 1125(c)** of this title, shall have been established in any civil action arising under this chapter, the plaintiff shall be entitled, subject to the provisions of sections 1111 and 1114 of this title, and subject to the principles of equity, to recover (1) **defendant's profits**, (2) any damages sustained by the plaintiff, and (3) the costs of the action. . . .

17 U.S.C. § 1117(a) (emphasis added).

The Court determined that the use of the term “willful” in one instance in § 1117(a), but not in another, indicated Congress' intent with regard to how mental states should be treated vis á vis profit awards for particular violations. Likewise, in other sub-sections of § 1117, mental states are included judiciously in certain instances, but not others. As the Court, in its interpretation of the law, is careful not to read words into statutes that are not present, it declined to adopt the Second and Ninth Circuit's interpretations and read in a “willful” requirement for violations of § 1125(a).

The Court similarly rejected other arguments lodged by Fossil, again turning to the text of the statute. For instance, Fossil argued a profit award was appropriate pursuant to “principles of equity” in § 1117(a). The Court discussed the definition and meaning of “principles of equity,” finding it unlikely that Congress intended for this language to denote such a narrow rule regarding profit awards. Even considering pre-Lanham Act case law, the Court again noted that there was no clear rule regarding a willfulness prerequisite, leading the Justices to the conclusion that, at most, *mens rea* was an historically important consideration in awarding profits but never a requirement. As the Court pointed out, the importance of *mens rea* has continued under the Lanham Act,

as reflected in the provision of greater statutory damages for willful violations in § 1117 (c). Finally, the Court briefly rejected Fossil's policy argument, stating that the Court would instead leave the policy decisions to the policymakers in Congress.

With this decision, trademark plaintiffs will face one less obstacle when establishing their entitlement to an award of a defendant's profits. In practical terms, courts will likely see fewer motions for summary judgment on willfulness, as defendants may no longer use this tool to foreclose a plaintiff's ability to obtain the defendant's profits. Though the Court's decision that courts may award profits absent a finding of willfulness may, in theory, open the doors to more profit awards, it is unlikely to result in windfalls to plaintiffs. As courts have long recognized, the infringer's state of mind bears on the relief the trademark owner should receive.

With this decision, trademark plaintiffs will face one less obstacle when establishing their entitlement to an award of a defendant's profits.

The Supreme Court echoed the well-established notion that an infringer's state of mind bears on the relief the plaintiff should receive when it clearly articulated that a defendant's mental state "is a highly important consideration in determining whether an award of profits is appropriate" in trademark infringement actions. *Romag*, 2020 WL 1942012, at *4. There is just no particular mental state required for profit awards, so it remains in the discretion of the courts, and juries, to determine what is appropriate under the circumstances.

Sara Gates is an associate at Cowan, DeBaets, Abrahams & Sheppard LLP.

Supreme Court Expands and Clarifies Copyright Law's Government Edicts Doctrine

By Brian D. Wassom

When may States obtain copyright protection in their expressive works? On April 27, 2020, a sharply divided 5-4 Supreme Court answered this question and in the process brought additional clarity to the relatively obscure “government edicts” doctrine.

[Georgia v. Public.Resource.Org.](#)

The work at the center of the case is the Official Code of Georgia Annotated. This publication consists of the text of the state’s statutes interleaved with supplemental materials, including citations to, and summaries of, case law, law reviews, attorney general opinions, advisory opinions of the State Bar, and research references. Decades ago, Georgia’s legislature had established a Code Revision Commission to create these annotations. In practice, the actual work is delegated to LexisNexis.

Although it appears that the Commission rarely, if ever, exercises its editorial discretion over LexisNexis’ work product, it nevertheless retained absolute discretion, and the statutorily mandated process for drafting the non-statutory portions of the Official Code of Georgia Annotated leaves virtually no room for private decision-making on the contents of the annotations. Further, the contract between Georgia and LexisNexis specifies that the OCGA is a work made for hire. Therefore, for copyright purposes, this publication is authored by the State of Georgia.

Although all of the other leading private legal research services publish their own annotations on Georgia law, the OCGA is the only “official” version. Evidence in and outside the record supported the common-sense conclusion that this imprimatur from the same legislative body that authored the statutory law itself incentivizes practitioners within the state to purchase the OCGA.

Although 17 U.S.C. §105 disqualifies “any work of the United States Government” from copyright protection, there is no similar blanket prohibition for state-authored works. Georgia registered the OCGA and used its copyright interest to control of the publication of the work and to set an artificially low sale price. Revenues were collected by LexisNexis to reimburse the upfront cost of producing the annotations. (The record in the lower court revealed this arrangement to be unique; in other states with official annotations, the work on annotations is done in-house or is contracted as a fee-for-service arrangement.)

A five-Justice Supreme Court majority of Roberts, Sotomayor, Kagan, Gorsuch and Kavanaugh affirmed the holding that the OCGA is an uncopyrightable government edict.

As an advocacy group for free public access to government documents, Public.Resource.Org (PRO) posted a complete, freely accessible copy of the entire OCGA online. Georgia sued for infringement of its copyright in the annotations, while conceding it could not copyright the statutory text itself. (But not for lack of trying; the state had already made, and lost, that argument in *State of Ga. ex rel. General Assembly of Ga. v. Harrison Co.*, 548 F. Supp. 110 (N.D. Ga. 1982)).

The Eleventh Circuit ruled in PRO's favor, holding that the OCGA was ineligible for copyright protection under the government edicts doctrine. This body of law stemmed from a trio of 18th Century Supreme Court decisions that forbade copyright protection the text of state laws, municipal ordinances, court decisions, and similar official documents. The Eleventh Circuit's analysis focused on the nature of the OCGA, finding it significant that it was authored "by public officials entrusted with sovereign, legislative authority" and that the work itself, in practice, was sufficiently "law-like" to be "authoritative." "Having been merged by the General Assembly with the statutory text into a single, unified edict, stamped with the state's imprimatur, and created and embraced by the same body that wrote the text that they explicate," the panel wrote, "the annotations have been suffused with powerful indicia of legal significance that is impossible to ignore." Taken together, these considerations persuaded the Eleventh Circuit that the OCGA was "attributable to the constructive authorship of the People," and thus public domain.

Supreme Court Decision

A five-Justice Supreme Court majority of Roberts, Sotomayor, Kagan, Gorsuch and Kavanaugh affirmed the holding that the OCGA is an uncopyrightable government edict. But the Justices also endeavored to simplify the analysis used to reach this result. Rather than defining an "edict" based on whether the work has the force of law—like a statute, regulation, or judicial ruling—the *PRO* Court looked to what it called "a straightforward rule based on the identity of the author."

"Copyright does not vest in works that are (1) created by judges and legislators (2) in the course of their judicial and legislative duties."

The holding of the case is that "copyright does not vest in works that are (1) created by judges and legislators (2) in the course of their judicial and legislative duties." This approach, according to the majority, lined up better with the Court's precedents that had denied protection to non-binding, explanatory legal materials made by judges, such as annotations and dissenting opinions.

The dissenting opinions took issue with nearly every aspect of the majority's ruling, and would have upheld the state's copyright. The strength of their views suggest that the Court is unlikely to meaningfully expand the government edicts doctrine or to otherwise erode states' ability to take advantage of copyright law in future cases. How the lower

courts parse and apply the majority’s “straightforward” holding, however, remains to be seen.

Regardless of how the law develops on this point. state agencies that are accustomed to claiming copyright in state-authored materials because they are not legally binding need to re-evaluate that stance based on who authored the works, and in what capacity.

Brian D. Wassom is a partner at Warner Norcross + Judd LLP in Detroit, Michigan. He authored an amicus curiae brief for AIPLA in support of PRO.



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Ninth Circuit Holds First Amendment Tolerates Whiskey-Inspired Parody Dog Toys in Trade Dress Spat

By Scott J. Sholder

A legal decision that simultaneously upholds the foundational tenets of free speech while quoting a dog toy’s claim to be “43% Poo by Vol” and “100% Smelly” is a welcome spot of levity in these trying and stressful times. The Ninth Circuit offered both in [VIP Products v. Jack Daniel’s Properties, Inc.](#), a recent decision holding that the First Amendment shields parodic uses of trademarks and trade dress in consumer products.

Background

Between 2007 and 2017, VIP Products LLC (“VIP”) sold dog toys called “Silly Squeakers,” which were designed to look like bottles of well-known beverages “but with dog-related twists” – in this case, “Bad Spaniels” as a play on Jack Daniel’s. The Bad Spaniels toy, introduced in 2013, resembles a Jack Daniel’s bottle, features a picture of a dog, and sports the phrase “the Old No. 2, on your Tennessee Carpet” and the above-mentioned “alcohol” content description. (A bottle of Jack Daniel’s bears the phrases “Old No. 7 Brand Tennessee Sour Mash Whiskey.”) VIP claimed that the purpose of its toys’ design was to comment on “the humanization of the dog in our lives” and “corporations [that] take themselves very seriously.”



Jack Daniel’s Properties, Inc. (“JDP”) was apparently one of those companies and did not take kindly to VIP’s canine-inspired take on its iconic brand of spirits. In 2014 JDP wrote to VIP demanding that it “cease all further sales of the Bad Spaniels toy.” In response, VIP filed an action seeking a declaratory judgment of non-infringement or dilution of JDP’s trademark rights, a ruling that the “Jack Daniel’s trade dress and bottle design are not entitled to trademark protection,” and cancellation of JDP’s registered bottle design. JDP counterclaimed for trademark and trade dress infringement as well as trademark dilution by tarnishment.

After dueling summary judgment motions, the district court, among other rulings, denied VIP’s First Amendment defenses and confirmed the protectability of JDP’s

trade dress. A four-day bench trial on JDP's dilution claim and likelihood of confusion resulted in a ruling in favor of JDP and a permanent injunction against sales of the Bad Spaniels toy. VIP appealed to the Ninth Circuit Court of Appeals, which issued a mixed ruling, affirming the protectability of JDP's trade dress but reversing the lower court's ruling on the First Amendment.

Ninth Circuit Decision

The appeals court, in addressing VIP's First Amendment defense, explained that the Lanham Act's "likelihood of confusion" standard generally "seeks to strike the appropriate balance between the First Amendment and trademark rights," but in the context of artistic expression, a more stringent test in favor of free speech applies because likelihood of confusion "fails to account for the full weight of the public's interest in free expression." The Ninth Circuit explained that it had adopted, in *Mattel, Inc. v. MCA Records*, a test originally promulgated by the Second Circuit in the seminal case *Rogers v. Grimaldi*, which dealt with protectable names used in the titles of expressive works. That test requires a plaintiff to demonstrate that a defendant's use of the plaintiff's name/mark in an expressive work is either (1) "not artistically relevant to the underlying work" or (2) "explicitly misleads consumers as to the source or content of the work." The court's analysis focused on the threshold issue of why a dog toy is considered an expressive work, the key question being whether the work "communicat[es] ideas or express[es] points of view."

Expressive works are "not rendered non-expressive simply because" they are sold commercially, yet do not need to be the "expressive equivalent of Anna Karenina or Citizen Kane."

The panel explained that expressive works are "not rendered non-expressive simply because" they are sold commercially, yet do not need to be the "expressive equivalent of *Anna Karenina* or *Citizen Kane*." The Bad Spaniels toys were expressive works because they communicated a "humorous message" through "word play to alter the serious phrase that appears on a Jack Daniel's bottle – 'Old No. 7 Brand' – with a silly message – 'The Old No. 2.'" The juxtaposition of an "irreverent representation of the trademark with the idealized image created by the mark's owner" rendered the Bad Spaniels toy a First Amendment-protected work conveying the message that "business and product images need not always be taken too seriously." This message was key; the vessel of the dog toy was effectively deemed irrelevant (and, the court noted, its conclusion was consistent with a 2007 Fourth Circuit decision protecting parodic dog toys based on Louis Vuitton hand bags).

As a procedural matter, the court did not address the substance of the two-prong *Rogers* test because the district court had not even found that Bad Spaniels was an expressive work. The court therefore vacated the lower court's finding of infringement and remanded for an analysis of the *Rogers* test.

The Ninth Circuit panel went on to reverse the trial court's ruling that VIP had diluted JDP's trademark because noncommercial use of a mark is not dilutive, and VIP had not engaged in purely commercial speech. Specifically, VIP had done more than simply propose a commercial transaction by creating "protected expression" even though it was selling a product. Because VIP's humorous message was protected by the First Amendment, its use of the JDP trade dress could not have diluted JDP's brand.

The *VIP* case is the most recent example of the continued expansion of the *Rogers* test into a more encompassing First Amendment safeguard, at least in the Ninth Circuit. In 2008, the Ninth Circuit held in *E.S.S. Entertainment 2000, Inc. v. Rock Star Videos, Inc.*, that, in the context of video games, the *Rogers* test applied not only to trademark use in titles of artistic works, but also to material in the body of the works. And just two years ago, in *Twentieth Century Fox Television v. Empire Distribution, Inc.*, the court held that Fox's use of the name "Empire" for its hit TV show was protected by the First Amendment against claims of trademark infringement by record label Empire Distribution, opening the *Rogers* umbrella to cover Fox's promotional uses of the "Empire" mark for live musical performances, cast appearances, and on consumer goods like T-shirts and champagne glasses. The *VIP* decision represents a predictable next step of expansion of the *Rogers* doctrine out of the realm of creative media properties like television and video games (for which merchandising is ancillary) to consumer goods as a distinct category of creative expression.

VIP is a clear victory for creators of expressive works, reinforcing the importance of balancing trademark rights with artistic expression and the ability of creators of even garden-variety consumer products to make a living from the fruits of that expression. Brand owners, on the other hand, will likely see the decision as a weakening of trademark protections and a blank check for content creators to profit from uses of marks outside traditional artistic content. Of course, *VIP* is only binding in the Ninth Circuit, but it stands to reason that other like-minded courts such as the Second Circuit (originator of the *Rogers* test) and the Fourth Circuit (which addressed the Louis Vuitton dog toy case mentioned above) may follow suit. While creators of expressive products may take some more comfort in their First Amendment rights, trademark proprietors should carefully assess the facts of brewing disputes, especially in these circuits, before asserting claims. And, particularly with parody products, brand owners should consider whether litigation is the best solution or if there are other compromises like disclaimers or outside-the-box business solutions.

Scott J. Sholder is a Partner at Cowan, DeBaets, Abrahams & Sheppard LLP in New York. David G. Bray Dickinson Wright PLLC, Phoenix, Arizona, represented VIP Products. D. Peter Harvey, Harvey & Company, San Francisco; and Isaac S. Crum, Rusing Lopez & Lizardi PLLC, Tucson, Arizona, represented Jack Daniels.

Christmas Came Early for Defendants Seeking Dismissal in “Krampus” Copyright Infringement Case

By Elizabeth A. Sloan

What does a mythical, half-goat, half-demon, who, during the Christmas season, punishes disobedient children have in common with Delaware? The District Court of Delaware actually found no substantial similarity between Legend Picture’s movie and Plaintiff’s book, dismissing the infringement case on the pleadings. [Purohit v. Legend Pictures, LLC](#), 2020 U.S. Dist. LEXIS 50655 (D. Del., Mar. 24, 2020).

Background

According to medieval Central European folklore, Krampus is the anti-Santa. While Saint Nick leaves presents for the good children, this chain carrying, hairy, horned, hooved creature carts off the naughty ones. In the last decade, Krampus parties and parades have crept into the Christmas season in this country as an antidote to what some believe is the over-commercialization and saccharinity of Christmas.

With the Krampus fascination gaining speed, in December 2015, Legend Pictures and Universal Pictures released the film *Krampus*, a comedy horror movie based upon Santa’s evil counterpart. An original graphic novel titled *Krampus: Shadow of Saint Nicholas* was also released on November 25, 2015 by Legendary Entertainment, as a companion piece. Both joined numerous North American media works featuring this villainous public domain character.

Krampus parties and parades have crept into the Christmas season in this country as an antidote to what some believe is the over-commercialization and saccharinity of Christmas.

Three years later, and after first filing suit in Canada, in November 2018, Kaylan Purohit sued Universal and Legend in the United States District Court for the District of Delaware. Purohit claimed the film, graphic novel, and related promotional materials infringed his copyrighted work, a self-published illustrated storybook, “The Krampus Night Before Christmas.” Purohit also created a 2012 YouTube video reading of the novel, showing illustrations from the book – a derivative work he also claimed was infringed.

Motion to Dismiss

Legend and Universal moved to dismiss based on the first-filed Canadian suit and for failure to state a claim, arguing, *inter alia*, that Purohit had failed to allege a plausible claim of access to his work, and had also failed to allege substantial similarity between

protectable elements of his book, and the *Krampus* film. On March 24, 2020, the Court dismissed Purohit's lawsuit.

The Court initially heard argument focusing on the first-filed Canadian case and suggested Plaintiff dismiss it or face a potential dismissal or stay in Delaware. After Plaintiff dismissed the Canadian suit, the Court turned to the issue of substantial similarity. Relying on the briefs as well as the works at issue, the Court found that the Krampus character is "unprotectable because it is an idea and in the public domain," *id.*, at *7, and concluded that "only elements that distinguish the Book's illustrations of Krampus from the Krampus in the public domain may be protectable." *Id.* at *8.

Purohit argued that his book's specific depiction of Krampus with "horns like those of a Walia ibex, a lack of black fur, a pronounced hunch, a long beard, glowing slanted eyes, a tattered red robe, limply bent arms, and clawed hands" were infringed by similar images in the *Krampus* film. But, the Court concluded that these visual elements were not protectable because they are "too common and generic, and constitute *scenes-a-faire* that flow directly from historical depictions of Krampus and themes of both Christmas and horror entertainment." *Id.*

According to the Court, "a lay observer would not believe that the Film copied the Book's protectable elements of expression—the exact illustrations in the Book—such as to support a finding of substantial similarity." *Id.* Instead, "[t]he 'total concept and feel' of Krampus as expressed in the Film is significantly different from how Krampus is expressed in the Book," such that "[a] lay observer would not find substantial similarity between the two." *Id.* at *9-10. Having failed to establish direct infringement, the Court also dismissed Plaintiff's claims for indirect infringement.

The Court also rejected Plaintiff's "moral rights" claims, holding Plaintiff's works were not eligible for moral rights protection under the Visual Artists Rights Act ("VARA") because 17 U.S.C. §106A only applies to "works of visual art," which "does not include any . . . book." The Court rejected Plaintiff's argument under VARA that the book should be considered a "work of visual art" because it contains drawings and paintings, holding that the statute's protection only applied where fewer than 200 copies were involved, whereas Plaintiff alleged he sold over 500 copies. See *Purohit*, 2020 U.S. Dist. LEXIS 50655 at *10-11.



Purohit underscores the utility of a motion to dismiss for lack of substantial similarity, which can, in certain circumstances, be decided as a matter of law based on the complaint and the works at issue. Such a motion can be successful where, as in *Purohit*, protectable elements in the plaintiff's work are scarce and when claims of similarity appear strained. While substantial similarity is typically considered a question of fact, where the works are before the court, and are readily capable of review and examination without expert assistance, the Third Circuit recently held, in *Tanksley v. Daniels*, 902 F.3d 165 (3rd Cir. 2018), *cert. denied*, 139 S. Ct. 1175 (2019), that courts are empowered to dismiss copyright infringement cases "if no trier of fact could rationally consider the two works to be substantially similar." *Id.* at 171 (internal quotes and citations omitted). Thus, these motions to dismiss at the pleading stage can sometimes, like St. Nick, bring good cheer to defendants.

Purohit underscores the utility of a motion to dismiss for lack of substantial similarity, which can, in certain circumstances, be decided as a matter of law based on the complaint and the works at issue.

Elizabeth A. Sloan is a partner in the Wilmington, DE office of Ballard Spahr LLP. A special thank you to David Grossman, at Loeb & Loeb, LLP, who together with Ms. Sloan represented Legend Pictures and Universal Pictures in this action, and contributed to this article. Plaintiff was represented by Timothy Devlin, Devlin Law Firm, Wilmington, DE.

Tattoo Copyright Claim Results in Summary Judgment for Game Developer

By Jeff Hermes

At the end of March, Judge Laura Taylor Swain of the U.S. District Court for the Southern District of New York issued a memorandum decision and order in the case of [Solid Oak Sketches, LLC v. 2K Games, Inc.](#) (S.D.N.Y. Mar. 26, 2020). The case involved a copyright claim asserted by an alleged exclusive licensee of the copyrights in five tattoos against the developers of a videogame series in which the pro athletes bearing those tattoos were depicted.

On the defendants' motion for summary judgment, the court held that plaintiff's copyright claim failed as a matter of law and that defendants were entitled to declaratory judgments that their use of the tattoos was (1) de minimis and (2) fair use.

Factual Background

2K Games and its parent Take-Two Interactive Software (collectively, "2K Games") are the developers and publishers of the popular "NBA 2K" series of video games. The NBA 2K series, which is updated annually, strives to provide as realistic a simulation of actual National Basketball Association game play as possible. This includes detailed depictions of actual athletes.

At issue in this case were the 2K14, 2K15, and 2K16 editions of the game, which included real-life NBA players Eric Bledsoe, LeBron James, and Kenyon Martin (the "Players"). Each of the Players bore one or more of the five tattoos which are at issue in this case (the "Tattoos").

The district court found the following facts regarding the Tattoos and their appearance in the NBA 2K series to be undisputed:

- "The Tattoos reflect the Players' personal expression." Slip op. at 3.
- The Artists intended the Tattoos to become essential parts of the Players' likenesses. *Id.* at 4-6.
- "NBA 2K users do not see the Tattoos clearly, if at all, during gameplay." *Id.* at 7.
- "The Tattoos comprise only a miniscule proportion of the video game data[.]" *Id.*
- "When a Tattooed player is selected, the Tattoos are depicted on a computer or television screen at about 4.4% to 10.96% of the size that they appear in real life [.]" *Id.*

- “The Tattoos are subordinated to the display of the court and the players in competition.” *Id.* (internal quotation marks omitted).
- “The NBA 2K game covers do not depict the Players or their tattoos, and the advertising materials neither depicted nor discussed the Tattoos.” *Id.* at 8.

At some point after the Tattoos were applied to the Players but before the publication of the editions of the NBA 2K series at issue, the artists who applied them (the “Artists”) granted an exclusive license in the Tattoos to plaintiff Solid Oak Sketches (“Solid Oak”). The court determined the following undisputed facts regarding Solid Oak and the licensing of the Tattoos and the Players’ likenesses.

- “Solid Oak is not licensed to apply the tattoos to a person’s skin, and Solid Oak does not hold any publicity or trademark rights to the Players’ likenesses.” *Id.* at 3.
- “The Players have given the NBA the right to license their likenesses to third parties, and the NBA has granted such a license to Take-Two.” *Id.* (internal brackets and quotation marks omitted).
- “Solid Oak has not profited from licensing the Tattoos. ... Solid Oak has never created a video game that depicts the Tattoos, nor has Solid Oak licensed the Tattoos for use in a video game.” *Id.* at 8.
- “[T]here is no demand for licensing the Tattoos for use in a video game.” *Id.* at 9.
- “Solid Oak has neither licensed the Tattoo designs nor sold merchandise depicting the Tattoos.” *Id.*
- Solid Oak’s owner agreed that he would need a license for the Players’ publicity rights to sell apparel bearing the Tattoos, but offered no evidence that he had a prospect of obtaining those rights. *Id.* at 9.

The district court breaks up its copyright analysis into three sections: de minimis use, the existence of an implied license, and fair use. All three analyses come out in 2K Games’ favor.

Solid Oak sued 2K Games for a single count of copyright infringement based on the appearance of the Tattoos in the NBA 2K series’ depiction of the Players. But as you, dear readers, can no doubt already detect from the facts above, this isn’t going to go Solid Oak’s way.

The Copyright Analysis

The district court breaks up its copyright analysis into three sections: de minimis use, the existence of an implied license, and fair use. All three analyses come out in 2K Games’ favor.

De minimis use

In the Second Circuit, the court stated, the issue of *de minimis* use relates to the question of whether a plaintiff can show substantial similarity between the defendant's work and the protectible elements of the plaintiff's work. "To establish that the infringement of a copyright is *de minimis*, and therefore not actionable, the alleged infringer must demonstrate that the copying of the protected material is so trivial 'as to fall below the quantitative threshold of substantial similarity[.]'" Slip op. at 11, quoting *Sandoval v. New Line Cinema Corp.*, 147 F.3d 215, 217 (2nd Cir. 1998).

"Fundamental" to this determination, said the court, is the "[o]bservability of the copyrighted work in the allegedly infringing work" to an "average lay observer." *Id.* (internal quotation marks omitted).

Here, Solid Oak argued that a user of the NBA 2K games (I'm going to say "user" rather than player, to avoid confusion with the athlete Players) could take advantage of the video game's features to select one of the Players to appear in the game and to focus the game's point of view in such a way as to make the Tattoos prominent on the user's screen. *Id.* at 12. However, the court found that the undisputed record established that "average game play is unlikely to include the players with the Tattoos and that, even when such players are included, the display of the Tattoos is small and indistinct, appearing as rapidly moving visual features of rapidly moving figures in groups of player figures." *Id.* at 13. It further found that Plaintiff had not offered any evidence that the NBA 2K games use the game's features to make the Tattoos more prominent. *Id.* at 14. Accordingly, the court held that no reasonable fact finder could determine that 2K Games' use was substantially similar to the Plaintiff's works, dismissing the copyright claim and granting 2K Games a declaratory judgment to that effect. *Id.*

Before we move on, there is a slight disconnect in the court's discussion that is worth noting, though it likely would not affect the outcome of the case. Specifically, Solid Oak argued that the game's users could elect to use the game's camera functions to zero in on the Tattoos, while the court found that Solid Oak had not shown that the NBA 2K games "employed the broad range of the video game's features" to do this. Compare slip op. at 12 with *id.* at 14. But the games do not "employ the features," the users do, and it is not clear whether the court is saying that the game *cannot* do what Solid Oak says or just that 2K Games did not intend for users to use the game's features in that way.

If the latter, there's an interesting issue here about how to measure *de minimis* use in a video game or other interactive environment, namely: Does the fact that the "average" user won't zero in on the Tattoos matter, if the game provides the tools to allow *any given* user to do so if they wish? There might be no actual damage, and other defenses such as fair use might apply, but it seems strange to say that there is no

substantial similarity if a high-resolution image is actually available to the user. That strikes me as similar to saying there's no substantial similarity if I show a copyrighted film without a license at my drive-in theater because most people only get a fleeting glimpse of the screen from the highway; maybe there are other defenses, but I question whether "observability" in this context should depend on whether the "average lay observer" makes the choice to take the next exit and pull up in front of my screen.

That said, perhaps Solid Oak was wrong, and it isn't actually possible for a user to choose to see the Tattoos in detail. Moreover, maybe this issue gets resolved with a slight detour through an intentional/volitional conduct analysis focused on what 2K Games could reasonably expect the "average" user to do. In any event, the issue is likely moot in the face of the court's treatment of 2K Games' other defenses, but it would have been nice if the court had connected these dots a little more clearly.

Implied License

In addition to its "de minimis" argument, 2K Games argued that it held an implied license to use the Tattoos whose origin predated the grant of an exclusive license to Solid Oak and to which Solid Oak's license was therefore subject. Specifically, it argued that: (1) the Artists conveyed an implied license to the Players to use the Tattoos as part of their likenesses; (2) the Players licensed their publicity rights to the NBA, including the right to sublicense their likenesses to third parties; and (3) the NBA granted such a license to the defendants.

Solid Oak, on the other hand, argued that the Artists' understanding that the Tattoos would merge with the Players' likenesses had nothing to do with copyright protection, and that any implied license needed to be spelled out as a limitation on Solid Oak's own subsequent exclusive license.

The court again sided with 2K Games, holding that the circumstances of the Tattoos' creation necessarily resulted in nonexclusive licenses to the Players. Slip op. at 15. In the Second Circuit, the court held, an implied license may be found "where one party created a work at the other's request and handed it over, intending that the other copy and distribute it." *Id.* And in this case, undisputed declarations submitted by the Artists stated that the Tattoos were created at the Players' request and were "delivered" through the inscription of the Tattoos on the Players. *Id.* In addition, the Artists intended that the Tattoos would be copied and distributed by the Players as elements of their likenesses and knew that the Players were likely to appear "in public, on television, in commercials, or in other forms of media." *Id.* Finally, the Players were never asked to limit the display of the Tattoos. *Id.*

Thus, the court found that the Players could license others to use the Tattoos as part of their likenesses and that the Players' licenses predated Solid Oak's license. *Id.* 2K

Games' license derived from the Players' license, and thus it was entitled to summary judgment in its favor for that reason as well. *Id.*

The court did not discuss Solid Oak's protest that its so-called "exclusive license" said nothing about the prior implied licenses. As far as the case against 2K Games goes, this makes some sense. One could imagine a claim against a party granting a purportedly exclusive license for a failure to disclose existing licenses, but certainly Solid Oak would have been aware of the circumstances giving rise to the implied licenses in this case. And as far as the claim against 2K Games goes, there is no suggestion that 2K Games had knowledge of Solid Oak's license at the time that 2K Games exercised its rights derived from the implied licenses. Thus, there would be no reason for 2K Games to understand that the Artists had intended the grant of the exclusive license to revoke the implied licenses. Moreover, that presumes that the implied licenses were in fact revocable; it is logical that permanent tattoos would be subject to an irrevocable license.

The court also did not get into a discussion of the interaction between copyright law and rights of publicity with respect to artwork that is part of someone's likeness. Again, however, there was probably no need to do so. The Artists intended that the Players have control over the display of the tattoos; whether as works of art under copyright law or as elements of their likeness under rights of publicity, the end result is the same. It would be interesting, however, to consider the further question of whether artwork that becomes literally inseparable from a person's likeness might merge into that person's right of publicity such that the artist's rights are extinguished with respect to that instance of the work. Put another way: If one of the Artists had, after inking, claimed to have revoked the implied license and tried to place limitations on the Player's public display of a Tattoo, would such limitations be enforceable? These will be questions for another case.

If one of the Artists had, after inking, claimed to have revoked the implied license and tried to place limitations on the Player's public display of a Tattoo, would such limitations be enforceable? These will be questions for another case.

Fair Use

Although not necessary to dispose of the plaintiff's copyright claim, the court proceeded to discuss 2K Games' counterclaim for a declaratory judgment that its use of the Tattoos was fair. The court proceeded through the standard four-factor test.

Purpose and Character of the Use: The original purpose of the Tattoos was "as a means for the Players to express themselves through body art"; 2K Games' use was intended to aid "general recognizability of game figures as depictions of the Players." Slip op. at 17. Thus, 2K Games' use of the Tattoos was transformative. *Id.*

Furthermore, the game reduced the size of the Tattoos inasmuch as the Players were depicted at reduced size, the Tattoos were “infrequently and only imprecisely observable and are combined with myriad other auditory and visual elements,” and the Tattoos constituted a trivial portion of the game’s data. *Id.* at 18. And despite the fact that the NBA 2K series and thus 2K Games’ use of the Tattoos were commercial in nature, the Tattoos were “merely incidental” to the commercial value of the game. *Id.* at 19.

The court’s analysis on this factor raises some of the same questions as the “de minimis” discussion above, specifically with respect to the court’s findings regarding the observability of the Tattoos. In this context, though, it seems more appropriate to ask whether the average user would observe the Tattoos with any degree of clarity, because this factor relates to the overall nature of the use rather than substantial similarity. I would add here, though, that the court also seems to be confusing size with resolution: The size of the Players is dependent on the dimensions of a user’s screen and how the viewpoint of the user zooms in, but the resolution of the tattoo graphics determines whether they are clear or blurry when enlarged. In any event, the court’s points about the transformative nature of the use and the irrelevance of the commerciality of the NBA 2K series seem right to me.

Nature of the Copyrighted Work: The court found that the Tattoos had been previously “published,” such that they were not subject to the reduced scope of fair use for unpublished works. Slip op. at 19. The court also found that the Tattoo designs were “more factual than expressive because they are each based on another factual work [e.g., a photo of LeBron James’ son] or comprise representational renderings of common objects and motifs that are frequently found in tattoos.” *Id.* I’m not sure that the use of common motifs makes a copyrighted work “factual,” but the Artists did acknowledge that they were copying others’ designs and pictures in generating the Tattoos, which at least suggests that their interests are thin.

Amount and Substantiality of the Use: Although the Tattoos were copied in their entirety, the court held that this was not determinative because it was necessary for 2K Games to use the whole image to accomplish its transformative purpose (as discussed under Factor One). Slip op. at 20-21. The court also pointed to its findings that the Tattoos were reduced in size and not recognizable. *Id.* at 21.

Effect on the Market: On the one hand, the Tattoos in the video game would not substitute for the appearance of the Tattoos in any other medium. Slip op. at 22. On the other hand, Solid Oak’s hypothetical licensing market for the Tattoos in videogames is unlikely to develop and would depend on Solid Oak’s obtaining publicity rights licenses from the Players that it does not have. *Id.* Thus, the parties’ respective markets do not overlap and the effects on the plaintiff’s market is minimal. *Id.* at 23.

In sum, the court ruled that all of the factors weighed in favor of 2K Games and granted a declaratory judgment that its use of the Tattoos is fair.

Expert Testimony

Much of the evidence that the court found relevant in the analysis above derived from the testimony of four expert witnesses:

- a survey expert who analyzed why people buy the NBA 2K series games and opined that the Tattoos played no role in the demand for the game;
- a professor of anthropology who opined on the nature of tattoos as personal expression, customs and norms in the tattoo industry, and the unlikelihood of a market for licensing tattoos;
- a professor of interactive computing who analyzed the features of the NBA 2K series and the role of the tattoos in the games, and opined that it would not be reasonable to license the fleeting use of images such as the Tattoos; and
- an expert on the valuation of intellectual property who opined that none of the profits of the NBA 2K series were attributable to the appearance of the Tattoos, and that no market for licensing tattoo artwork is likely to develop.

While the court might have glossed over certain points, its fundamental analysis was strong and should give pause to those pursuing similar claims in this or other courts.

Solid Oak moved to strike these experts' testimony, but (as illustrated in the discussion above) the court found their opinions relevant to its analysis; the court also found the experts qualified to offer these opinions. Therefore, the court denied Solid Oak's motion. Slip op. at 23-29.

Conclusion

This was a virtually complete win for 2K Games, with the minor exception of a separate counterclaim related to a flaw in the registration for one of the Tattoos that remained unresolved. While the court might have glossed over certain points, its fundamental analysis was strong and should give pause to those pursuing similar claims in this or other courts.

Jeff Hermes is a Deputy Director of MLRC.

A Legal “Modern Warfare”: Activision and the First Amendment Triumph in Humvee Trademark Dispute

By Tim Carter

In the early 1980s, the Department of Defense awarded a contract to AM General LLC (“AM General”) to manufacture a new type of light tactical vehicle for the U.S. armed forces: a “High Mobility Multipurpose Wheeled Vehicle” or “HMMWV” (an acronym coined by the Defense Department). Nicknamed “Humvees” by the soldiers who used them on the frontlines, the HMMWV was deployed in some of the most well-known military campaigns of the past half century, most notably the first and second Gulf Wars and the wars in Afghanistan and Iraq.

With these deployments came extensive news coverage, and as a result of their wartime ubiquity, Humvees quickly assumed historical and cultural significance, becoming a symbol of the modern American military. As war dragged on, the Humvees’ prevalence soon became mainstream: Humvees were no longer only found in coverage and depictions of war, but were now appearing in Hollywood blockbusters like *Jurassic Park* and *The Avengers*, television dramas such as *The Walking Dead*, *24*, and the *Long Road Home*, and even animated comedies such as *Cars* and *The Simpsons*.

At issue were various depictions of Humvees in six separate *Call of Duty* PC and console games and three mobile “tie-in” games.

On November 7, 2017, AM General filed a lawsuit in the Southern District of New York against Activision Blizzard, Inc. and Activision Publishing, Inc. and Major League Gaming Corp. (collectively, “Activision”) alleging trademark infringement, trade dress infringement, unfair competition, false designation of origin, false advertising, and dilution under the Lanham Act, 15 U.S.C. §§ 1114, 1125, and 1125(c), respectively. These claims were primarily based on Activision’s alleged infringement of AM General’s purported alleged trade dress rights in a selection of exterior elements of certain configurations of Humvees (of which there are many), and of AM General’s “Humvee” and “HMMWV” trademarks. AM General also raised pendant New York state law claims for trademark infringement, unfair competition, false designation of origin, trade dress infringement, false advertising, and dilution.

At issue were various depictions of Humvees in six separate *Call of Duty* PC and console games and three mobile “tie-in” games released between 2007 and 2014, all of which depicted contemporary or near-future warfare. Activision, a leading worldwide developer, publisher, and distributor of interactive entertainment, built the *Call of Duty* franchise into one of the “most popular and well-known video game franchises in the world” with over 130 million units sold.

First released in 2003, *Call of Duty* depicts highly realistic military combat set in a particular time period, such as World War II, the Vietnam War, the 1980s, the present day, the near future, and the far future. See, e.g., *Mil-Spec Monkey, Inc. v. Activision Blizzard, Inc.*, 74 F. Supp. 3d 1134, 1137 (2014) (Call of Duty games depict “highly realistic combat in a ... war-torn setting, featuring numerous characters, complex narratives, and advanced graphics[.]”). To fully realize their artistic vision, Activision utilized real-world, identifiable locations and landmarks, real-life military organizations, and dozens of contemporary military weapons and vehicles.

On March 31, 2020, District Judge George B. Daniels of the Southern District of New York granted Activision’s motion for summary judgment, dismissing all of AM General’s claims for trademark and trade dress infringement, unfair competition, false designation of origin, false advertising, and dilution under the Lanham Act and New York law. [AM General v. Activision Blizzard](#).

In analyzing AM General’s federal and state law claims for trademark infringement, the Court applied the two-part *Rogers* test, articulated in *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989). Under *Rogers*, where a defendant’s product is artistic or expressive, courts have interpreted the Lanham Act narrowly in order to avoid suppressing protected speech under the First Amendment. While *Rogers* dealt only with a potentially confusing title, the Second Circuit has since held that “the *Rogers* balancing approach is generally applicable to Lanham Act claims against works of artistic expression.” *Cliff Notes v. Bantam Doubleday Dell Publ’g Grp.*, 886 F.2d 490,495 (2d Cir. 1989).

“Featuring actual vehicles used by military operations around the world in video games about simulated modern warfare surely evokes a sense of realism and life likeness.”

Under the first prong—whether the use of AM General’s alleged trademarks had artistic relevance to the games—the Court held that Activision’s use of the Humvee in *Call of Duty* was artistically relevant: “Featuring actual vehicles used by military operations around the world in video games about simulated modern warfare surely evokes a sense of realism and life likeness to the player who ‘assumes control of a military soldier and fights against a computer controlled or human-controlled opponent across a variety of computer-generated battlefields.’” *AM Gen. LLC v. Activision Blizzard, Inc.*, No. 17 CIV. 8644 (GBD), 2020 WL 1547838, at *6 (S.D.N.Y. Mar. 31, 2020) (quoting *Novalogic, Inc. v. Activision Blizzard*, 41 F. Supp. 3d 885, 890 (C.D. Cal. 2013)). According to the Court, “[i]f realism is an artistic goal, then the presence in modern warfare games of vehicles employed by actual militaries undoubtedly furthers that goal.” *AM Gen. LLC*, 2020 WL 1547838, at *10.

As to the second prong of the *Rogers* test—whether the use was “explicitly misleading”—the Court held that the mere existence of some confusion is insufficient.

Rather, “the finding of likelihood of confusion must be particularly compelling to outweigh the First Amendment interest recognized in *Rogers*.” *Id.* at *4 (quoting *Twin Peaks Prods., Inc. v. Publ’ns Int’l, Ltd.*, 996 F.2d 1366, 1379 (2d Cir. 1993)). Finding no “particularly compelling” likelihood of confusion, the Court held that “[t]o the extent that any of the *Polaroid* factors are satisfied—such that a modicum of confusion might be present[,]” AM General failed to present sufficient evidence to rebut Defendants’ “persuasive explanation regarding the use’s status as an ‘integral element’ of the artistic expression.” *Id.* at *10.

As to the federal and state law trade dress claims, the Court declined to reach the question of whether AM General had any protectable trade dress rights in the Humvee design, and held that “[a]ssuming *arguendo* that a Humvee’s trade dress is non-functional and has secondary meaning, Plaintiff still fails to demonstrate a likelihood of confusion according to the *Polaroid* analysis performed above” in light of the “improbability of confusion between a vehicle and a video game—or, in the case of the contested toys, between a plastic figurine and a full-blown military machine[.]”

Judge Daniels’ opinion helps reaffirm First Amendment protections for video game developers and publishers in realistically portraying modern warfare.

Because AM General failed to show a likelihood of confusion, its federal and state law unfair competition claims were similarly dismissed. “Any degree of confusion that does exist[,]” the Court held, “is outweighed by the First Amendment interests reflected in the *Rogers* balancing test.” AM General’s remaining claims for federal and state false designation of origin, false advertising, and trademark dilution failed for lack of sufficient evidence.

In the end, the use of purported trademark rights to restrict the content of expressive works is dangerous under any circumstance. But the claims made by AM General were particularly egregious because they involved a U.S. military vehicle paid for by American taxpayers and deployed in every significant military conflict for the past three decades. Judge Daniels’ opinion helps reaffirm First Amendment protections for video game developers and publishers in realistically portraying modern warfare.

Karin Pagnanelli, Marc Mayer, Bradley Mullins, attorneys in the Los Angeles office of Mitchell Silberberg & Knupp LLP, and Lillian Lee and Tim Carter, attorneys in the New York office of Mitchell Silberberg & Knupp LLP, represented Activision Blizzard, Inc., Activision Publishing, Inc., and Major League Gaming Corp. in the trademark and trade dress infringement suit brought by AM General LLC. AM General LLC is represented by Carey Ramos, Cory Struble, Courtney Whang, Margret Caruso, Michael Carlinsky, Rachel Epstein, Todd Anten of Quinn Emanuel Urquhart & Sullivan, LLP’s New York office, and Robert Schwartz of Quinn Emanuel Urquhart & Sullivan, LLP’s Los Angeles office.

New York District Court Holds Instagram Granted Embedder a Valid Sublicense

By George Wukoson and Jim Rosenfeld

Publishers often draw on social media posts as a source of news. Whether they are a politician's tweets, celebrity selfies or eyewitness video footage of unfolding events, the posts can provide timely first-hand information and are sometimes news in their own right. The copyright owners of such content have occasionally asserted copyright claims against the media based on the unauthorized use of their posts (or textual or audiovisual material within those posts). Media entities faced with these claims have frequently asserted that (1) their use is permitted under the fair use doctrine, or (2) that, by embedding the posts, they are not exercising any rights belonging to the Copyright Owner.

(Whether “embedding” an image is a “display” within the meaning of Section 106 of the Copyright Act, 17 U.S.C. § 106 (5), is a legal issue on which courts have disagreed. The Ninth Circuit, the Seventh Circuit and numerous lower courts have held that embedding and the similar concepts of “framing” and “in-line linking” are not exercises of the public display right, applying what is sometimes called the “server test” for copyright infringement liability. *Perfect 10, Inc. v. Amazon.com, Inc.*, 508 F.3d 1146, 1159–61 (9th Cir. 2007); *Flava Works, Inc. v. Gunter*, 689 F.3d 754, 756 (7th Cir. 2012); *Live Face on Web, LLC v. Biblio Holdings LLC*, No. 15 Civ. 4848 (NRB), 2016 WL 4766344, at *4 (S.D.N.Y. Sept. 13, 2016) (Buchwald, J.); *Grady v. Iacullo*, No. 13-CV-00624-RM-KMT, 2016 WL 1559134, at *5 (D. Colo. Apr. 18, 2016); *Leveyfilm, Inc. v. Fox Sports Interactive Media, LLC*, No. 13 C 4664, 2014 WL 3368893, at *5 (N.D. Ill. July 8, 2014); *MyPlayCity, Inc. v. Conduit Ltd.*, No. 10 Civ. 1615(CM), 2012 WL 1107648, at *12 (S.D.N.Y. Mar. 30, 2012), adhered to on recons., 2012 WL 2929392 (S.D.N.Y. July 18, 2012). A Southern District decision rejected the server test in *Goldman v. Breitbart News Network, LLC*, 302 F. Supp. 3d 585, 494-96 (S.D.N.Y. 2018), 18-CV-790 (KMW), holding that several news organizations displayed a photograph when they embedded tweets containing the photograph on their websites. Goldman settled before it was reviewed by the Second Circuit, and the split remains unresolved.)

A recent decision by Judge Kimba M. Wood addresses a potential defense to copyright claims arising from the use of social media content: that the copyright owner licensed the content to the social media platform, which in turn granted the media website a valid sublicense to use the image.

A recent decision by Judge Kimba M. Wood in the United States District Court for the Southern District of New York addresses a third potential defense to copyright claims arising from the use of social media content: that the copyright owner licensed the

content to the social media platform, which in turn granted the media website a valid sublicense to use the image. [Sinclair v. Ziff Davis](#), No. 18-cv-790 (S.D.N.Y. April 13, 2020).

Background

The Plaintiff, Stephanie Sinclair, is an American photographer whose work has been published in The New York Times, National Geographic and various other publications. Some of her work has spotlighted gender and human rights issues, including child marriage. Sinclair maintains a publicly searchable website and an Instagram account, both displaying her work to the public.

The photograph at issue in this case was titled “Child, Bride, Mother/Child Marriage in Guatemala” (the “Photograph”). Sinclair posted a cropped copy of the Photograph on her Instagram account, which is set to public.

The Defendants were Ziff Davis, LLC and Mashable, Inc. Ziff Davis is a digital media company that owns various brands and titles. Its subsidiary Mashable owns and operates the website Mashable.com.

A Mashable employee contacted Sinclair in March 2016 seeking to license the Photograph, but the parties never came to terms. On March 16, 2016, Mashable published an article titled “10 female photojournalists with their lenses on social justice” on its site. The article included ten photographs, including an embedded copy of the Photograph. Sinclair alleges that the publication infringes her copyright in the Photograph.

Analysis

Judge Wood’s [decision](#) provides a succinct but persuasive analysis of the sublicensing issue, and then knocks out plaintiff’s counter-arguments seriatim.

The Court pointed out that “[a] copyright owner who permits a licensee to grant sublicenses cannot bring an infringement suit against a sublicensee, so long as both licensee and sublicensee act, respectively, within the terms of their license and sublicense,” and it proceeded to identify a valid license to Instagram and sublicense to Mashable within the terms of Instagram’s Terms of Use. By creating an Instagram account, Plaintiff agreed to the Terms of Use, as she conceded. The Terms provided that the user “grant[s] to Instagram a non-exclusive, fully paid and royalty-free, transferable, sub-licensable, worldwide license” to content that the user posts, subject to Instagram’s Privacy Policy. The Privacy Policy allowed users to designate their accounts as public or private. If – as here – the setting was public, the content could be used by others by means of Instagram’s API. As Instagram stated in its Platform Policy, it provides its API to allow website publisher users and others to “discover

content, get digital rights to media, and share media using web embeds” subject to compliance with users’ privacy settings and other restrictions. (Instagram’s Terms of Use, Privacy Policy, and Platform Policy are collectively its “Policies.”) Mashable used the API to embed Sinclair’s Instagram post of the Photograph on its site, and was granted a valid sublicense under Instagram’s Policies.

The Court rejected a number of Plaintiff’s counter-arguments. First, Mashable’s unsuccessful effort to obtain a license from Sinclair had no bearing on the validity of its sublicense, given that the Terms of Use provided a valid sublicense.

Second, Plaintiff argued that the Court could not take judicial notice of the meaning of Instagram’s agreements and policies, *i.e.* the Terms of Use and Privacy Policy; the Court replied that while it took notice of the agreements and policies, it did *not* take notice of their meaning, which was a question of law for the Court.

Third, Plaintiff claimed that Mashable was not an intended beneficiary of the agreements, but the Court ruled it need not be one, as Plaintiff had authorized Instagram to grant a sublicense to anyone who properly used its API.

Fourth, Plaintiff complained that the sublicense was “created by a series of complex, interconnected documents”; the Court ruled, to the contrary, that it was obligated under California law (which applied to the agreements) to treat the different agreements as one integrated agreement where, as here, one incorporated others by reference.

Fifth, the Court rejected the contention that the relevant agreements were “circular,” “incomprehensible” and “contradictory,” finding them comprehensible and clear for purposes of the sublicensing issue.

Sixth, Plaintiff contended that Instagram violated the terms of its license by granting a sublicense to “sell” the Photograph; but the Court held it had only granted a sublicense to *embed* the Photograph.

Last, the Court rejected the policy argument that it was unfair for Instagram to force a photographer to choose between remaining in private mode on “one of the most popular public photo sharing platforms in the world” and granting other users a sublicense, holding that the Terms of Use trumped this concern:

Unquestionably, Instagram’s dominance of photograph- and video-sharing social media, coupled with the expansive transfer of rights that Instagram demands from its users, means that Plaintiff’s dilemma is a real one. But by posting the Photograph to her public Instagram account, Plaintiff made her choice. This Court cannot release her from the agreement she made.

Sinclair, 2020 WL 18747841, at *4

The Court also held that Plaintiff had failed to state a claim against Mashable's parent company, Ziff Davis. It found no "substantial continuing involvement" by Ziff Davis with respect to the allegedly infringing activity, nor any other reason to impose liability on Ziff Davis.

On April 27, 2020, Sinclair moved for reconsideration, arguing that there was no valid license of the Photograph to Instagram or any valid sublicense Mashable, and that Ziff Davis should be held liable as well based on its "control" over Mashable.

Commentary

In considering the impact of the *Sinclair* decision on their practices, publishers should consider three qualifications. First, the Court's analysis is rooted in Instagram's Policies and only applies to them; other platforms' agreements may or may not have similar provisions and will be interpreted based on their own language. Second, the Court's analysis is further limited to one particular version of Instagram's Policies – those governing Mashable's interaction with Instagram's API in this case. Terms of use and other platform policies change frequently, and indeed the Court here noted that Instagram's policies have been updated since then – although not, in the authors' view, in any way that would change the analysis.

Third, in cases where the copyright owner is not the person who posted the images, owners may allege that they never licensed the image to Instagram, and thus any subsequent sublicense is invalid; that may raise issues as to whether the owner had otherwise granted a license, either express or implied. Subject to these caveats, the *Sinclair* decision provides publishers with a viable basis to claim rights to publish social media content.

George Wukoson, Director of Legal at Ziff Davis, Jim Rosenfeld and Lance Koonce, partners at Davis Wright Tremaine LLP, and Max Hensley, a former associate of Davis Wright, represented Mashable and Ziff Davis. Brian Hoben of Hoben Law and James Bartolomei of the Duncan Firm, P.A. represented Sinclair.

Supreme Court Sides with Comcast in Race Discrimination Lawsuit

By Chris Bacon and Peter Goetschel

Byron Allen is a well-known and successful African-American entrepreneur who owns Entertainment Studios Network (ESN), a company which operates seven television networks, including networks such as Justice Central.TV, Pets.TV and Cars.TV. Allen began negotiations with Comcast—the nation’s second largest cable company—with the hope that Comcast would carry his networks. Comcast ultimately declined, and in 2015, Allen filed a 20 billion dollar lawsuit against Comcast, in which he accused the cable company of refusing to carry his networks because of racial bias.

Comcast claimed that its decision not to carry ESN’s networks was based on a lack of demand for the programming that was offered on these networks, bandwidth constraints, and Comcast’s preferences for news and sports programming. Allen contended that Comcast’s articulated reasons were pretextual and that the real reason for not carrying Allen’s channels was race discrimination. In support of his claim that Comcast’s decision was motivated by race in some way, Allen noted that Comcast paid civil rights groups to advocate to the Federal Communications Commission.

Allen contended that Comcast’s articulated reasons were pretextual and that the real reason for not carrying Allen’s channels was race discrimination.

While most people are very familiar with Title VII of the Civil Rights Act of 1964, the law which prohibits discrimination in employment on the basis of race, color, religion or national origin, in recent years an increasing number of plaintiff’s lawyers have also been bringing race discrimination claims under a section of the Civil Rights Act of 1866, a law that was enacted during the Reconstruction Era to advance the goals of the Thirteenth, Fourteenth and Fifteenth Amendments, now codified at 42 U.S.C. § 1981. These claims are known as Section 1981 claims.

Section 1981 claims have some distinct advantages over Title VII claims in that plaintiffs enjoy a much longer four-year statute of limitations and that they are not obligated to exhaust their administrative remedies by filing a charge of discrimination with the EEOC before going to court. Additionally, where Title VII is limited to discrimination in employment relations, Section 1981 applies more broadly to all cases involving the “making, performance, modification, and termination of contracts, and the enjoyment of all benefits, privileges, terms and conditions of the contractual relationship.” In other words, you can sue parties that are not your employer if they are discriminating against you when it comes to making a contract. (That particular advantage is the reason why Allen chose to sue Comcast under Section 1981 rather

than Title VII. Allen claimed that he was entitled to relief under Section 1981 because Comcast was unwilling to enter into a contract with an African-American owned company.)

The disadvantage that plaintiffs suing under Section 1981 cases face, however, is that their standard of causation for proving discrimination is much tougher. Section 1981 plaintiffs must show that “but for” their race, they would not have suffered an injury. Title VII claims call for a less strenuous “motivating factor” standard, ever since its amendment in the Civil Rights Act of 1991, and that standard only requires that plaintiffs show race was a motivating factor in the discriminatory decision, regardless of whether the same decision would have been made in the absence of race.

The differences between the two standards are significant, especially where multiple factors are at play in a defendant’s decision making. Consider the following hypothetical situation: An employer terminates an employee because he submitted false time sheets. However, while the evidence of time theft is undisputed, there is also evidence that the employee’s supervisor made frequent derogatory statements about the terminated employee’s race, suggesting that racial animus could have played a role in the employer’s decision to terminate. If the employee filed a lawsuit under Section 1981, he would have to prove that “but for” their race, they would not have been terminated. Under that standard, if the employer could show that it would have and, in fact, did terminate every employee who had submitted a false timesheet—including many employees of other races besides the plaintiff’s—the supervisor’s racial animus would be irrelevant.

In recent years an increasing number of plaintiff’s lawyers have also been bringing race discrimination claims under a section of the Civil Rights Act of 1866.

On the other hand, if the same employee instead brought a claim under Title VII, the employee would only have to demonstrate that racism had been simply “a factor” in the decision to terminate, even if it was not a determinative factor in the decision. In short, a plaintiff in a Title VII case only needs to be able to demonstrate minimal causation. (Though employers in Title VII claims may still limit the remedies available to plaintiffs, if they are able to show that race was not a but for cause of the alleged discriminatory action.)

Arguing that a “but for” causation standard applied, Comcast filed a motion to dismiss ESN’s Section 1981 claims, and the district court, after giving ESN two opportunities to amend its complaint to plead additional facts, agreed that ESN had failed to state a claim as a matter of law. ESN appealed the dismissal, and the Ninth Circuit reversed the district court’s order based on the district court’s use of the “but for” standard of causation. The Ninth Circuit held that plaintiffs are instead only required to allege facts showing that race plays “some role” in Section 1981 injuries. *Allen v. Comcast* went on

to the Supreme Court after the Ninth Circuit's holding.

Essentially, what the Ninth Circuit had done was to apply a causation standard more akin to Title VII's "motivating factor" test rather than the "but for" standard used in common law tort cases and that is generally considered the default standard for statutory claims (unless the statute specifically sets forth a different standard of causation, as Congress did when it amended Title VII in 1991).

Supreme Court Decision

It is quite unusual for the current Supreme Court to issue unanimous decisions in civil rights cases, and one might have expected some of the liberal justices to side with ESN and the Ninth Circuit in this case. Here, however, a unanimous court agreed that a "but for" standard is the appropriate standard of causation in Section 1981 cases and that a district court should apply that standard at every stage of the case, be it in a motion to dismiss, a motion for summary judgment, or at trial. [Comcast v. National Association African American-Owned Media](#), (March 23, 2020).

In making this decision, the court noted that nothing in Section 1981's text or legislative history indicated that courts should create an exception to the default causation principles. It also observed that Congress had an opportunity to add a different causation standard in 1991, when it made other amendments to § 1981, but that it had failed to do so.

While the decision was unanimous, Justice Ginsburg did write a separate concurring opinion in which she clarified that Section 1981 injuries are not limited to the ultimate decision of whether or not to enter a contract. She made the point that Section 1981 claims may also be brought on a broader basis, including for discrimination in any pre-formation opportunities to present or receive contract offers or to negotiate the terms of a contract. For example, a requirement that white applicants for a position provide one reference while African-American applicants provide five could also support a Section 1981 claim.

Because the Supreme Court rejected the application of the minimal "motivating factor" standard in Section 1981, the media industry—which relies on contractual relationships more than most industries—should look at this decision as a positive maintenance of the status quo, and in the absence of new statutory amendments by Congress, companies should expect that Section 1981 claims will continue to adhere to the "but for" standard of causation.

Chris Bacon is counsel and Peter Goetschel an associate at Vinson & Elkins in Houston.

California's "Gig Worker Bill" and Its Impact on Freelance Journalists and Photographers

By Christopher Hickman

On January 1, 2020, California's "Gig Worker Bill" (or, [Assembly Bill No. 5](#)) ("AB 5"), became law, after approval by the governor on September 18, 2019. The bill has changed, in no small measure, the rules employees must use to determine whether a worker is classified as an employee or an independent contractor in California. The decision impacts independent contractors, since they are not entitled to most of the benefits that employees receive, including minimum wage, overtime pay, and worker's compensation. The law does not apply to workers outside of California. However, its passage has spurred other states to consider adopting similar messages. How, then, has the law impacted freelance journalists and photographers in California, and what are the potential implications of the law throughout the country?

The origins of this law can be traced, in part, to the California Supreme Court's decision in [Dynamex Operations W. v. Superior Court, 4 Cal.5th 903 \(2018\)](#) ("Dynamex"). In this voluminous decision, wherein the issue was whether a group of delivery drivers should be classified as employees or independent contractors for the purpose of the wage orders adopted by the adopted by California's Industrial Welfare Commission ("IWC"), the Court ultimately rejected the multi-factor "right to control" test set forth in [S.G. Borello & Sons Inc. v. Department of Industrial Relations, 48 Cal.3d 341\(1989\)](#) ("Borello") in favor of a new test (the "ABC test"). Under the ABC test, a worker is considered an independent contractor if it is established:

The bill has changed, in no small measure, the rules employees must use to determine whether a worker is classified as an employee or an independent contractor in California.

(A) that the worker is free from the control and direction of the hirer in connection with the performance of the work, both under the contract for the performance of such work and in fact; (B) that the worker performs work that is outside the usual course of the hiring entity's business; and (C) that the worker is customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed for the hiring entity. *Dynamex*, 4 Cal.5th at 916.

In broad strokes, the ABC test is narrower than *Borello's* "right to control" test, which balanced nine factors to determine a worker's classification based on a case-by-case basis. (Of the nine factors, the first – whether the person doing the work is engaged in the service that is the company's primary business – was given the most weight.) The

Borello test focused on how much control a potential employer exercised over a worker. The ABC test, however, presumes that the worker is an employee, unless the employee proves otherwise. Companies were thereafter advised to be mindful of the new ABC test when they [“create\[d\] and administer\[ed\] independent contractor relationships.”](#)

In the aftermath of *Dynamex*, AB 5 was passed, expanding the *Dynamex* decision, but not necessarily codifying it in all respects. The *Dynamex* test is no longer applied solely to wage orders adopted by the IWC; now, it applies to the entire California Labor Code, the California Unemployment Insurance Code, and wage orders.

However, the ABC test is not applied across the board. For example, it is not applied to [workers’ compensation benefits or determining worker status in matters involving discrimination and retaliation](#).

AB 5 also exempts specified occupations from the application of the ABC test, including licensed insurance agents, commercial fishermen, and registered securities broker-dealers. For these occupations, the nine-factor *Borello* test applies. Exempt occupations also include “others performing work under a contract for professional services.” Graphic designers, grant writers, and fine artists qualify as “professional services.” So, too, do still photographers and photojournalists, freelance writers, editors, and newspaper cartoonists. However, the photographers cannot license photos to the employer in question more than thirty-five times per year. (There is still another carve-out here for people who work on motion pictures.) The freelance writers, editors and cartoonists, also, cannot provide content submissions to an employer more than thirty-five times per year.

The impact of AB 5 at the national level is an open question; however, this is a touchstone moment for workers in the “gig economy” age. Several states are considering similar legislation (though they appear to be waiting for an early assessment of the economic consequences of the bill in California). Illinois, Oregon, and Washington have proposed similar legislation. Prior to the COVID-19 outbreak, Governor Andrew Cuomo hinted in his State of the State Address that he was considering an ABC-lite test in New York. While New Jersey [has applied the ABC test for years](#), the state government, too, has [considered legislation](#) along the lines of AB 5. Notably, while New Jersey rigorously enforces the ABC test, the state is not inclined to go after freelance journalists. California, on the other hand, makes little distinction between professions in its enforcement of labor laws and has a [\\$20 million budget](#) to enforce AB 5.

Conversely, other states are providing a more favorable landscape for independent contractors. [Arizona](#), Florida, [Iowa](#), and Kentucky, for example, have programs in place providing designated “gig” workers an opportunity to operate through

“marketplace platforms” in order to establish themselves as contractors, not employees; the test in “marketplace platform” bills is thought to be a pretty easy one to pass and [has attracted some controversy](#).

A nationwide shift to the AB 5 model, where everyone is assumed to be an employee unless the employer can prove otherwise, is not likely. In February, the House of Representatives [passed legislation](#) that would alter federal labor law in many ways, including [making the ABC test the law of the land in some significant respects](#); however, this legislation is not likely to pass in the Senate.

Absent a groundswell in public opinion, the ABC test won’t get the federal seal of approval anytime soon. People are currently pleased with the “gig economy” and its benefits; to alter the current model at the national level would be expensive and take years. Thus, at the state and federal level, the impact of AB 5 (and, by extension, the potential impact on freelance journalists nationwide) is negligible, save for those states that are currently watching California for some indication of the bill’s economic impact.

Though the economic impact on California is undetermined, there is still notable pushback against AB 5 in the state. By February, thirty-four separate pieces of legislation related to the bill were introduced in the legislature; most of the legislation focused on [“expand\[ing\] the list of occupations not required to be considered an employee of a business and exempt\[ing them\] from mandatory payroll taxes and workplace benefits.”](#) Assemblywoman Lorena Gonzalez, who authored AB 5, even introduced a [revision](#), which included lifting the thirty-five article and photo cap imposed on freelance journalists and photographer and instead attaching that worker’s status as a non-employee to whether their contract sets an amount and a time of payment. (The revision hasn’t yet made its way through the legislature, leaving the cap in place.)

Additionally, passage of the bill was met almost immediately with [legal challenges](#), including a lawsuit aimed at protecting the autonomy of freelance journalists. [American Society of Journalists and Authors, Inc. and National Press Photographers Association v. Xavier Becerra](#), Case No.: 2-19-cv-10645 (“American Society of Journalists”), challenges the application of AB 5 to ‘writers, editors, still photographers, and visual journalists’ in violation of the First and Fourteenth Amendments “by drawing unconstitutional content-based distinctions about who can freelance.”

As was stated earlier, AB 5 has dozens of exemptions for various workers, including one for “professional services.” This is defined to include a number of services a freelancer can provide, provided they have, among other things, a license and a place of business outside the putative employer’s address. If you meet those requirements, you also have to satisfy the “professional services” description.

Freelance writers and photographers are among the handful of workers subject to the thirty-five-submissions limit, a component of their “professional services” exemption. Once they hit thirty-five submissions, they are effectively foreclosed from working with that publisher as an independent contractor for the rest of the year. (While there is a carveout in the bill’s section on photographers for photographers in “motion pictures,” you become an employee of the company for which you worked after shooting a single video.)

Dozens of publishers have, as a result, blacklisted California freelancers. The enforcement risk falls entirely on the publication, and it’s deemed an unacceptable risk to have to tally thirty-five assignments. As a result, journalists [have been subject to a reduced opportunity to publish](#) and printed daily newspapers are [feeling the sting](#).

Many freelancers prize the freedom and flexibility of independent contractor work: they can control their business expenses, decide when and where they work, more effectively balance work and life responsibilities (such as caring for a family member). The Plaintiffs in *American Society of Journalists* argue that AB 5 has taken those choices from them.

The Plaintiffs contend that the press has been singled out in violation of the First and Fourteenth Amendments. Since the press are the only “professional services’ subject to the thirty-five-submission cap, the government has singled them out based solely on the content they provide. By way of example, when a freelancer is writing ad copy, then they’re free to operate on a freelance basis, but if the same writer is writing a news article, then the thirty-five-submission cap comes into effect. Plaintiffs say that the regulation should be subject to strict scrutiny because this is a speech-based limitation and not narrowly tailored to any compelling government objective. How, goes the argument, do you offer an exemption to a grant writer but not a member of the press? Additionally, if the press is singled out for potentially onerous taxation, shouldn’t that also be subject to strict scrutiny? For example, Plaintiffs argue that their members can deduct business expenses on their federal taxes for, among other things, professional memberships, educational and networking conferences, travel, insurance, and home offices, whereas an employee cannot. This may cause those folks who report on the government to be burdened with taxes and regulations that constrain their ability to report.

The state denies any content-based distinction in AB 5; rather, the distinction is based on occupation, so the law is subject to minimal scrutiny. And though one can argue that an exemption for “professional services” is not based on the job you have but the content you produce, the District Court agreed with the state, [dismissed the case](#) and [denied a preliminary injunction](#).

The situation for the press nationally, remains unchanged for the time being since AB 5 went into effect. In California, however, the impact of AB 5 on journalists may well be significant and deleterious. (The added impact of the Coronavirus pandemic obviously helps no one in the media.). The *American Society of Journalists* Plaintiffs intend to appeal the District Court's decision. Additionally, the attempted legislative fix by AB 5's author is potentially positive, though the proposed new legislation has its own problems. In the meantime, the press in California must wait on the 9th Circuit and possible fixes to AB 5; both these propositions are as uncertain as future employment opportunities.

Christopher Hickman is Senior Counsel, Media and Intellectual Property, at BuzzFeed.



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MLRC Miami Conference 2020

On March 9, MLRC held its annual conference on Legal Issues Concerning Hispanic & Latin American Media, hosted by the University of Miami School of Communication. This is MLRC's smallest conference - but certainly one of the most interesting and inspiring ones. This year's conference demonstrated that once again.

The conference began with a Skype call with Glenn Greenwald of The Intercept, from his home in Rio de Janeiro, Brazil. We had a Q&A with Greenwald about the basis and status of charges brought against him in Brazil for his work in reporting on [the Operation Car Wash scandal](#) (Operação Lava Jato) – the largest public corruption scandal in Brazil's history.

The Intercept had published leaked chat logs of government prosecutors. In retaliation, Greenwald was charged in January 2020 with cybercrimes for allegedly collaborating in the hacking of the information. As Greenwald explained then and on our call: "I did nothing more than do my job as a journalist - ethically and within the law." He explained that in early February a court blocked the prosecution, relying on a previous Brazilian Supreme Court ruling that The Intercept's reporting on Operation Car Wash was legal. But that ruling could be revisited and the potential for prosecution remains a troubling possibility.



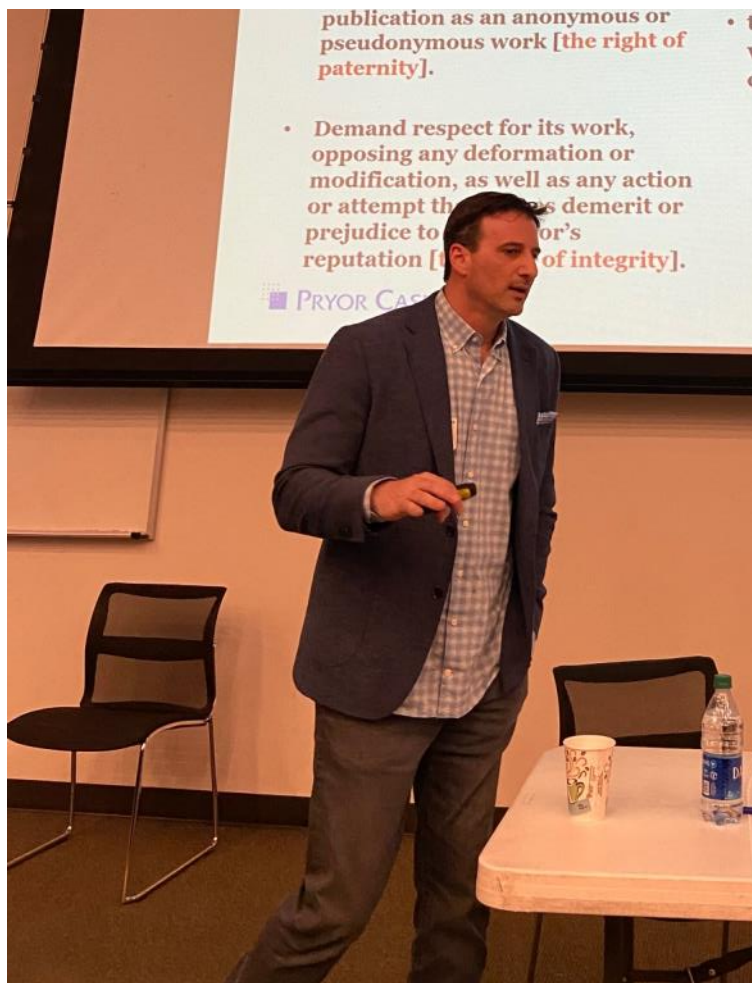
Glenn Greenwald of The Intercept, speaking from Rio de Janeiro, Brazil

The conference also featured a Q&A with Miami Herald / el Nuevo Herald reporter Antonio Delgado who discussed the situation in Venezuela, putting the current humanitarian crisis in political and historical context. Among other things, Delgado and MLRC Deputy Director Dave Heller discussed the fate of so-called "Caminantes" – Venezuelans who risk their lives to walk hundreds of miles to safety in Colombia, as part of the mass migration out of the country. Delgado also discussed his investigative article "Pillaging El Dorado" – exposing the use of criminal gangs to extract gold to finance the Maduro regime.

A panel titled "Using Defamation Law as a Sword Against the Media," had Diana Palacios, Davis Wright Tremain (Los Angeles) questioning Adrianna Rodriguez, Univision (Miami) and Roxana Kahale, (Buenos Aires), about comparative experiences



Diana Palacios, Roxana Kahale and Adrianna Rodriguez



James Sammataro discussing Mexican copyright issues for U.S. content producers

in defending against defamation and related claims. A panel on Cross-Border Copyright featured Tatiana Carrillo, Lloredo Camacho, (Bogota, Colombia), and James Sammataro, Pryor Cashman (Miami), discussing practical issues on protecting content in entertainment and news.

To top it off, the conference included an Ethics session led by Diana Jordan Zamora, Business Law Faculty, University of Miami Herbert Business School, on the legal and journalistic ethics when media companies report on their owners.

The conference was generously supported by Ballard Spahr, Davis Wright Tremaine, Greenberg Traurig, and McClatchy / Miami Herald / el Nuevo Herald.

Ten Questions to a Media Lawyer

Cynthia S. Arato

Cynthia S. Arato is a partner at Shapiro, Arato Bach in New York.

1. How'd you get interested in media law? What was your first job in the business?

I first got interested in media and entertainment law as an "unassigned" litigation associate at a large law firm, when I was less than two years out of law school. I was assigned to work on a case for the Ansel Adams Publishing Rights Trust involving a tricky balance between the right of publicity and the First Amendment. I was working on a real estate joint venture dispute at the same time, and I quickly discovered that I liked examining the the Ansel Adams documents a lot more than the drafts of the joint venture agreement sitting on the other side of my desk. I also got to travel to Ansel Adam's former home in Carmel, CA to review many of his original documents, including letters from the U.S. Department of Interior commissioning Adams' Mural Works project. Not bad for a lawyer's first document production. My first job in the business was similar to my job now -- representing media and entertainment companies (and individuals) in litigation matters.



2. What do you like most about your job?

I enjoy many parts of being a media and entertainment litigator at the litigation boutique I co-founded 11 years ago. I enjoy co-managing the firm and working closely and repeatedly with our small group of excellent lawyers and staff. I like that my cases involve important and creative industries, clients, and works spanning film, tv,

music, and news. And I still like the craft of litigation, including making briefs "sing" and fielding questions at oral argument.

3. How has quarantine affected your work and routines?

Even pre-covid, I often worked from home for a few hours each morning, so it wasn't hard to stay productive at home and doing that was not completely new. I miss my daily subway commute because interacting with and observing random people is one of great joys of NYC living that is now on pause. I've learned I don't like exercising alone all that much. I cook a lot more than before. I started with the sweatpant approach and have since upgraded to jeans.

4. Highest profile or most memorable case?

We like to think of the lawyers at our firm as litigators first, regardless of our area of expertise. My highest profile and most memorable case was not a media and entertainment matter but involved the impeachment investigation of Governor John G. Rowland of Connecticut. I represented the Select Committee of Inquiry formed by the House of Representatives in connection with the Governor's challenge of a subpoena compelling him to testify before the Committee. The case moved on a fast track, and quickly landed before the State's highest court. The case involved many "firsts." It was a case of first impression regarding the legislature's authority to compel the testimony of a sitting executive, and it was the first time the Court allowed cameras in its courtroom, heard argument based on the briefs below (with short supplemental briefs), and scheduled argument for a full hour a side. The argument took place on a Friday; the Court issued its landmark ruling that same day, affirming the legislature's right to compel the Governor's testimony; and the Governor resigned from office the following Monday.

My most exciting case right now is representing Lizzo in a dispute over ownership of her hit song *Truth Hurts*.

5. It's almost a cliché for lawyers to tell others not to go to law school. What do you think?

Go.

6. What's your home office set-up?

My new full time set-up involves a small desk in the corner of a dining room open to the kitchen, with a home laptop and office laptop together replicating my dual screen real office set up. The dining room buffet makes a good office shelf. I'm sharing the room during the day with my father-in-law who moved in pre-covid for unrelated health

reasons. His favorite place in our apt is the built in corner bench on the other side of the room (see pic).

7. What's a book, show, song, movie, podcast or activity that's been keeping you entertained?

Shows: I'm rationing the remaining episodes of the last season of *Homeland*. I've started *Breeders*, recommended by my brother and sister-in-law.

Books: I'm rejecting all dystopian works or histories of prior epidemics/pandemics. I have enjoyed *Olive Again* and *On Earth, We're Briefly Gorgeous*; each uses language beautifully in its own way. I'm starting *Red at the Bone* for my now-virtual book group. *Friendship*, by Lydia Denworth (my own friend), is a study of friendship's biological, psychological, and evolutionary foundations and is a great read now when maintaining those connections is even more important. I hope to finally tackle *Thinking, Fast and Slow* by noted economist Daniel Kahneman. It's looked good sitting on my night stand for many years.

Activity: losing to my son in my feeble effort at chess. Outdoor walks in the Brooklyn Bridge Park.

8. What's a typical weekday lunch?

Leftover roasted vegetables, potatoes, grains, etc. repurposed into all kinds of salads.

9. Your most important client takes you out for karaoke. What do you sing?

I would do anything I could to avoid going. No matter how times people tell me I will like karaoke, I don't like it.

10. Where's the first place you'd like to go when the quarantine is lifted?

A restaurant meal with extended family.

